Washington "Brain Trust" to Force Prices Up

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

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The Nation's Business

Post Challenges Rhodes' Statement to Boards of Trade

Government Fiscal Policy Not Sound

"Uncontrollable" Items Can be Controlled

Rhodes' Economy Claim

THE Federal Government through its able minister of finance the Hon. E. N. Rhodes, is making a nation-wide effort to justify its present financial plans and expenditures by means of a circular letter sent this week to all Boards of Trade and Chambers of Commerce throughout Canada. The letter was prepared as an official answer to the resolution forwarded recently to the Minister of Finance at Ottawa by the Canadian Chamber of Commerce and which expressed disappointment at the inability of the Government to balance the budget. It urged "further drastic reductions and rearrangements of the public service" and that "... prevailing conditions should be met by the Government taking the necessary steps now in reducing expenditures however drastic they may be."

Superficially the Rhodes' statement makes an excellent case for the present financial policy of the government, its argument hinging largely on the fact that over the last three years and including the $14,000,000 provided for in the last budget, the government has pared its "controllable" expenditures by no less than $81,000,000. The figures include a net saving of $55,700,000 on civic government expenses, $21,000,000 on capital account and $4,200,000 on loans and advances, and are identical with those published recently in the Mail and Empire, Toronto, which as chief journalistic spokesman of the prime minister has long been giving editorial voice to the government's views in this matter.

* * *

SO FAR as it goes, the record is good. In the ordinary measures of departmental economy, in reorganizing Canadian National Railways' operations, the Government has done a great deal of good work. But the simple truth is that outside of capital expenditures, properly classifiable as such, the Government will spend more money in the current year than it spent three years ago, despite a shocking decline in the incomes of the people, from which taxes must be paid. More rapidly than controllable expenditures have been cut, new "uncontrollable" items have been created. The old bromide about saving at the spigot and losing at the bunghole applies with major force.

Mr. Rhodes argues that it is impossible to balance the budget because of the fact that $313,000,000 of federal expenditures are "uncontrollable." He says:

> "These items are fixed and uncontrollable beyond question with the possible exception of that for unemployment relief, but, having regard to existing conditions in Canada and the inescapable demands which are made upon the Dominion treasury in this connection, this item can, I think, fairly be included."

* * *

ONE could not have a better example of the thorough confusion that exists about the "controllability" of Governmental expenditure than the following list of "uncontrollable" expenditures included in the finance minister's statement.

Interest charges	$138,000,000
Canadian National Railways deficit	55,000,000
Pensions and soldiers' care	58,000,000
Subsidies to provinces	15,000,000
Old age pensions	12,000,000
Unemployment relief, including the agricultural stabilization fund	35,000,000

Both the Mail and Empire and the Ottawa Journal made the same argument in recent editorials and published the same figures of sums "that had to be paid . . . there is no avoiding it."

The Journal editor was not as polite as the Mail and Empire editor and asked:

> "In the face of facts like these—facts which are available to everybody and which may be understood by a first form collegiate student what is the sense of a paper like The Financial Post harping over balancing the budget without taxation?

* * *

"Uncontrollable" Items Can be Cut

WHERE The Financial Post takes issue with Mr. Rhodes and these two Conservative journals, is in its conviction that they are wrong in assuming that any of the expenditures they refer to are beyond the control of the Government.

Take interest charges. Every dollar of this represents the annual charge on some item of borrowing that was controllable by the Gov-

(Continued on page 2, col. 3)

SEE FURTHER RESTRICTION PAPER OUTPUT

Newsprint's Low Price Will Limit Mills in Operation

WOOD SUPPLY VITAL

Inability of Many to Convert Wood Into Paper Without Loss Will Curtail Credit

From Our Own Correspondent

MONTREAL.—Further restriction in newsprint mill operations with the concentration of production in a dozen or so of the low-cost mills is expected to take place over the next six months.

As far as can be ascertained at this time 21 of the 28 major mills are in operation. The mills inoperative are reported to be as follows: Price Bros. and Co.'s Riverbend plant; Abitibi's Ste. Annes, Murray Bay, Fort William and Pine Falls mills; Consolidated Paper's Belgo and St. Maurice units.

The remaining mills are operating at less than half of their rated capacity. In some instances operations are below 25 per cent of capacity and in the case of Bathurst, the ratio of operations to capacity is only a few per cent. With the elimination of Ontario Paper, Mersey Paper and Spruce Falls Pulp and Paper, and Canadian International Paper, the average of operations for the balance of the industry is below 40 per cent.

Woodpile is Important

The length of life of the mills at present in operation depends largely upon how long their woodpile will last. It is common knowledge that for some time past few companies have been conducting woods operations. Most of the wood being converted into paper now is wood that was cut two or three years back. The woodpiles, with few exceptions, are getting low and by the end of the next six months the supply will be very limited.

Wood Goes Bad

The near approach of exhaustion of wood supply has been accelerated by causes other than the need for paper manufacture. Before the present plight of the operators, many had gone ahead and established large piles of pulpwood at different mills. In some cases this wood was not used until it laid on the ground for two years or more and only lately have steps been taken to convert it into paper.

Recent surveys of woodpiles at the different newsprint mills has brought to light that a fair proportion has become unfit for manufacture. It will be recalled that in his report to the creditors of Abitibi Power and Paper Co., G. T. Clarkson pointed out that wood on Thunder Bay had deteriorated and at other points it was good for firewood, had little salvage value, in the case of Ste. Annes, had to be used shortly in order to avoid deterioration.

Situation Not Uncommon

The condition of Abitibi's pulpwood supply is not radically different from that of the other large operators and a brief resume here will show the difficulties which confront the industry in respect to its pulpwood supply.

Pulpwood inventories at Iroquois Falls are insufficient to operate the mill more than six months.

The Soo mill is reported to have enough pulpwood to last one year.

Fort William has no pulpwood supply.

Ste. Anne has a good supply but must be used within 18 to 24 months to avoid deterioration.

Thunder Bay has 59,265 cords of pulpwood, much of which has already deteriorated.

The Pine Falls plant has a small supply, good only for firewood.

Murray Bay has about 9,800 cords, on which the salvage value is a little more than $1 a cord.

Espanola has a large supply of pulpwood which cannot be converted into newsprint at a profit.

Sturgeon Falls mill costs are too high to allow its wood supply to be converted into paper at a profit.

This report was made at a time when newsprint prices were better than they are today. As far as its newsprint operations are concerned, Abitibi's supply of pulpwood is very limited. Other companies are faced with the same situation.

Need More Wood

In order to carry on operations throughout this year and into 1934 it will be necessary for some, if not the majority, to make arrangements for a new supply of wood. This can be secured by cutting on their own limits, but that means two years before the wood is at the mill. When the present supply is exhausted it will be necessary to purchase from jobbers.

Seek Bank Advances

As the financial condition of most companies does not permit them to advance any large sums to jobbers on future wood deliveries, it will be necessary to seek further assistance from the banks. The banks have already made substantial advances to the operators and it is unlikely that they will extend credit to any marked degree without adequate assurance that they will be able to get their money back.

B. E. A. R. Stock Listing Removed from Standard

B. E. A. R. stock, recently listed on Standard Stock and Mining Exchange, has just been removed from listing.

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Brain Trust

From Washington, F. S. Chalmers, editor of The Financial Post sends a vital, revealing story of how Roosevelt and nine advisers are shaping American and U. S. monetary policy. He tells too what may be expected along inflationary lines in the next few weeks. Page 1. Other stories tell vividly what the U. S. move means—to investors, Page 11; to foreign exchange rates, Page 5 ;to wheat markets, Page 13.

Romance of Gold

History just repeated itself last week when U. S. abandoned gold. The amazing story of coinage in the past 2,000 years graphically told. Page 3.

Jobless Plan

Dr. H. M. Cassidy, social science expert of University of Toronto outlines a comprehensive plan for unemployment control and insurance in Canada. He says an insurance scheme would cost Canada $120,000,000 annually. Page 9. Also on page 6 results of important study on unemployment reserves for industry.

Rhodes Challenged

Canadian Finance Mininster in official statement tells Boards of Trade Government fiscal policy is sound. The Post challenges his view. Nation's Business Column. Page 1.

Interest Rates

Savings rates are lower but no relief for commercial borrowers possible say banks. Some intimate details of the ½ per cent cut. Page 9.

Empire Pact

Canada's trade with U. K. at highest point since 1915 says exclusive analysis of pact undertaken by The Post business editors. A survey of Ottawa results to date. Page 9.

Auto Rate War

Non-tariff firms fired big shots in Ontario's auto insurance rate war last week. The new low rates published for the first time. Page 10.

Beauharnois Battle

Montreal and Toronto still battle for Beauharnois proxies. New light on this big struggle from both points of view. Page 1.

Say Vested Interests Make Reciprocity Pact Hard to Negotiate

Great Courage by Bennett and Roosevelt Necessary for Trade Pact Success — Farmers, Manufacturers Oppose

U. S. SEEKS AUTO MARKET

By Staff Editor

WASHINGTON.—Canada appears as the hardest country with which United States will negotiate a trade treaty, in the eyes of state department officials here. Reason for this is that vested interests on both sides of the international border are exceptionally powerful and very strongly entrenched.

Great courage must be shown, it is felt, by President Roosevelt in dealing with American farmers and Prime Minister Bennett in dealing with manufacturers in Canada if a satisfactory pact is to be negotiated. Those closely in touch with Canada's Prime Minister believe that he is prepared to show the necessary courage to make negotiations a success, while Roosevelt's boldness has been clearly shown in events of recent weeks.

Actual position of negotiations at mid-week was uncertain particularly as President Roosevelt had not yet completed drafting of the bill giving him power to negotiate treaties. Information given The Financial Post, however, indicates that motor cars and dump restrictions will be pitted against cattle, fish, lumber, potatoes and copper in the discussions now under way here.

Canada approaches the reciprocity negotiations seeking to gain wider markets in the U. S. for fishermen in Maritime and B. C. ports; for Maritime and central Canada potato growers, and hopes also to reopen a tremendous market for western feeder cattle which has suffered death blows from successive U. S. tariffs in the past decade. She will also seek removal of the special tariffs on lumber and copper imposed last year.

Autos Under Fire

On the other hand United States will seek from Canada better treatment for her automobiles and a general removal of exchange and other restrictions which have been built up in the past year and a half to protect Canadian manufacturers

(Continued on page 2, col. 3)

Beauharnois Battle

CRISIS IS NEAR DECISION VITAL AT MAY 3 MEET

Committee Urges Deposit of Proxies to Assure Quorum

ACTION NECESSARY

Beauharnois bondholders meet in Montreal on May 3 to consider plans for reorganization and as the time of meeting approaches sponsors of the various plans are increasing their activities to secure as full a representation of investors at the meeting as possible. Deposit of proxies by the 15,000 to 20,000 bondholders scattered throughout Canada is understood to have been slow and the bondholders' committee has emphasized the necessity of securing a quorum for the meeting with the statement that "the situation is critical and that failing definite action at the meeting the entire Beauharnois enterprise will be placed in the gravest danger."

Circularize Bond Houses

The Toronto plan for reorganization is now called the Beauharnois Security Holders' Co-operative Plan and has been changed to the extent that the Dominion Government will receive 98,100 shares of common stock of the new company out of a total of 750,000 shares for services rendered. It is anticipated that with this stock in its possession the government will be in a much better position to dispose of its committment eventually. Investment bankers still refuse to give open sponsorship to the Toronto plan but Harry G. Pepall, who has spent over a year devising the plan, has sent a letter to all the larger bond

(Continued on page 2, col. 2)

ADJOURNMENT BEAUHARNOIS MEET LIKELY

Securing of Quorum Presents Difficulty at Present

OPPOSITION WEAKER

From Our Own Correspondent

MONTREAL — Present indications are that insufficient bonds will be represented at next week's bondholders' meeting of Beauharnois Power Corp. to pass upon the reorganization plan as approved by the Bondholders' Protective Committee. In the event that a simple majority of the bonds, or $15,000,100 is not present the meeting will have to be adjourned.

It is understood that the proxies are coming in very slowly and even with the presence of the "independent" group, sufficient bonds will not be represented at the meeting to constitute a quorum.

Make Further Effort

Additional efforts are being made to get in touch with the debenture holders but owing to their geographic distribution and lack of knowledge as to their whereabouts, considerable difficulty is foreseen in rounding up a majority.

It will be recalled that the original bond issue of $30,000,000 was offered by one of the largest investment banking syndicates ever to handle a bond issue in Canada. The security was sold in all provinces of Canada and to a limited extent, outside of the country. Few of the purchasers have taken the trouble of having their bonds registered so that their whereabouts is unknown. Further the average holding of Beauharnois bonds is appreciably less than

(Continued on page 2, col. 1)

RISE IN PRICES AIDS GREATLY CAN. CANNERS

Increased Worth of Inventories Would Wipe Out Depression Losses

AID PREFERRED

If Upward Trend of Commodity Prices Maintained, Dividend Thought to be Secure

Canadian Canners, Ltd., with more than $7,000,000 in inventories as shown by its last annual financial statement, has more at stake in the permanence of the recent commodity price rise than most Canadian companies. Its financial statement for the year ended February 28, 1933—when it comes—will not have taken into account the effect upon inventory of the last four weeks of rise in prices, and so far as shareholders are concerned anything in the direction of strengthening commodity prices means more to the ultimate value of their shares than the actual details of the forthcoming annual statement are likely to prove.

Seeing that 1932 was a year of greater stresses than 1931 and that the year finished after a spectacular decline of most commodity prices the most that can be expected from the company is to show its strength to have been conserved. The company took large inventory losses during the depression years, partly because of the over-optimistic expansion of the industry as a whole in 1929 and 1930 and partly because an inventory company like this must be prepared to "stand the gaff" in a time of falling prices.

Has Taken Its Medicine

By the very nature of its business Canadian Canners must take advantage in season of the yearly crops of vegetables and fruits to build up its inventories and it has to take the hap of everything that comes in marketing this inventory in the succeeding year. Once the pack is made Can. Canners becomes to all intents and purposes a company whose business is no longer manufacturing but to dispose of inventory to the best advantage possible. When prices are falling it is "just too bad" for such companies but when prices are on the upgrade recovery is very rapid.

By building up working capital of seven and a half million dollars in the five years preceding February 28, 1930, Canadian Canners entered the depression period better equipped than any of its competitors in Canada to take whatever medicine was coming. Prices since then as a result of the excessive packing of the whole industry fell to such a point that every company was taking a loss until last year on every case of goods sold.

Making Better Goods Cheaper

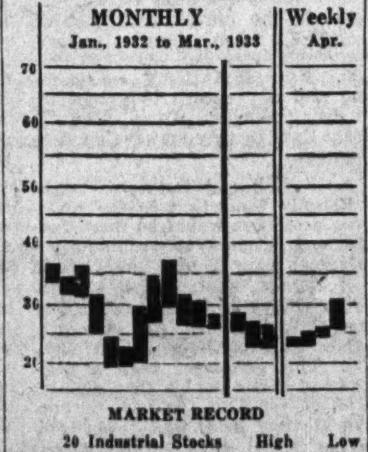
Executives of Canadian Canners took the view in face of this situation that the best policy for the eventual good of the company was to forget profits for a while and—in the words at the last annual meeting of Avern Pardoe, then president and now chairman of the board—to bend every effort "to the task of producing better goods cheaper, an accomplishment so necessary to the continued success of our organization."

In the last few years therefore consumers have been getting a product, at times below cost, better than they ever had. It has been put up in more attractive packages, new business and new lines have been added, and costs have been made less to meet these extraordinary conditions. This courageous policy of satisfying customers in bad times so as to deserve their continued patronage in better times has been accompanied by substantial expenditures for advertising and sales promotional work. The British market has been cultivated at the risk of exchange fluctuations because there again those who have gained an entry into the market and have secured

(Continued on page 2, col. 5)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Apr. 25	31.2	25.6
Week of Apr. 18	25.9	24.7
Month of April, 1933	31.9	25.5
10 Public Utilities		
Week of Apr. 25	44	40
Week of Apr. 18	41	40
Month of April, 1932	50	44
8 Bank Stocks		
Week of Apr. 25	148	144
Week of Apr. 18	149	147
Month of April, 1932	192	182

Monetary Policies of U. S. A. Lie with Committee of Ten As Roosevelt Plans to Inflate

General Programme for U. S. and World Recovery Now Mapped But Specific Steps Await Future Developments

DETERMINED TO BREAK DEPRESSION

Courageous President Has Whiphand in Forthcoming Inflation Plan — Will Go to Any Length to Achieve Results — Britain Agrees to Defer Gold Stabilization for Time Being

By FLOYD S. CHALMERS
Editor, The Financial Post

WASHINGTON. — It is said that there are only ten people in Washington who know exactly what monetary policy will be adopted by President Roosevelt to initiate recovery. Some cynics aver that, if there are as many as ten, the President is not one of them.

F. S. CHALMERS

To some extent this is true. The President is determined by monetary action at home to raise the level of prices in the country and by joint monetary action with other countries to raise the world price level. The general outlines of his programme are sketched in. How much he will invoke and when any individual step will be taken will be decided as circumstances develop.

Committee of Ten Has Control

In one sense the President has taken no one into his confidence except the nine gentlemen who, with himself, comprise the committee of ten on whose ideas, even on whose whims and caprices the immediate fate of the world's economic structure depends. Yet in another sense everyone has been taken into his confidence because, as one of the President's most intimate advisers, a member of the so-called brain trust, told me this week, every one of the President's statements means exactly what it says. "There are no hidden meanings."

Said this man: "When the President undertakes to let the dollar find its natural level he means exactly that and nothing else. He is asking of Congress the greatest degree of authority ever assumed by any individual in this country. He will get, under the legislation now before Congress, the power to devalue the American gold dollar. When it will be devalued and at what rate the President does not know. That he will decide later. He is getting power to inflate the country's currency; how he will inflate and how much he does not know. But there will be some inflation, as much as we need.

"The President has one purpose in view. He is at the wheel of a very luxurious car with a very powerful engine. That car is the United States. The engine has run down. We have given her the gas and stepped on the starter and the engine won't turn over. We have to prime the engine some way. We'll try one way and if that does not work we'll try another. But we are going to get the engine running again. There is plenty of gas in the tank in the form of national wealth."

With this background in mind one can proceed to a more intelligent examination of the great programme of inflation upon which the president has embarked.

Decision on Gold Move

The decision to go off the gold standard officially and to outline an inflation programme was taken suddenly by the president last week after one of his now famous late-at-night conferences with the committee of ten.

This committee of ten consists of the president, two members of his cabinet—Secretary of State Hull and Secretary of the Treasury Woodin — Director of Budget Douglas, Silver State Senator Pittman, Banker Warburg, and four members of that group of academic intimates of the president known as the brain trust, namely Moley, Feiss, Bullitt and Taussig. No one else was consulted, not even the Federal Reserve Board. It is given to me on the highest authority that Federal Reserve officials did not know of the move until they read about it in the morning papers.

The move has been planned for some time. Actually the United States has not been on the gold standard since March 4. True a few shipments of gold were permitted only a few days before the announcement of last week but it is admitted that this was merely strategy. The presidential adviser referred to above states that the action of last week in actual economic significance meant no more than Canada's official admission this week that she is off the gold standard. Canada has in reality been off gold since September, 1929, the United States since March, 1933.

Psychological Effect Important

But the psychological effect was important. This is what the president was striving at.

"We were forced to move quickly," admitted the brain trust man to me, refusing, however, to particularize further. But from other sources I have learned some of the considerations that were in the president's mind.

1. Congress was threatening to head off the president's inflation programme with one of its own. The president had to get his programme under way quickly to keep control in his own hands.

2. The banking crisis was far from being ended. In two states the position of the banks was so serious that a further banking crash was inevitable within ten days. Something startling and drastic had to be done quickly. Going off the gold standard and getting the inflation programme into the papers would probably save the situation.

3. There was no desire to embarrass the British and the French. Messrs. MacDonald and Herriot have had the situation carefully explained to them and have agreed that Roosevelt had to act quickly.

But while the time of the action was unpremeditated everything that has been done is in accordance with preconceived ideas of the president and his committee of ten.

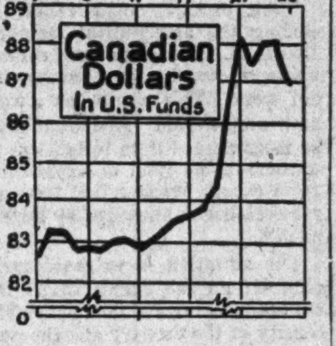
Part of Definite Programme

Inflation to raise the general level of commodity prices has been a definite part of the Roosevelt programme for recovery from the moment that he took office. But the president wanted two tags on inflation. First, he wanted an inflationary programme in which the leading nations could join, with agreement upon stabilization at new parities all around in order that inflation in the United States might not, on the one hand lead to a flight from the dollar, and on the other hand stimulate a currency war—a race between the nations to depreciate monetary units with ultimate consequences that could not be other than disastrous.

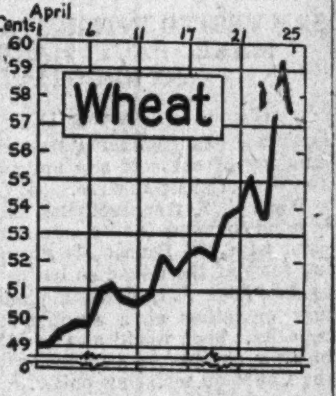
And secondly he wanted a controlled inflation with himself doing

(Continued on page 2, col. 6)

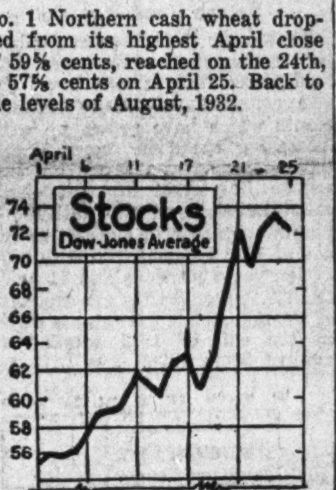
April Upturns



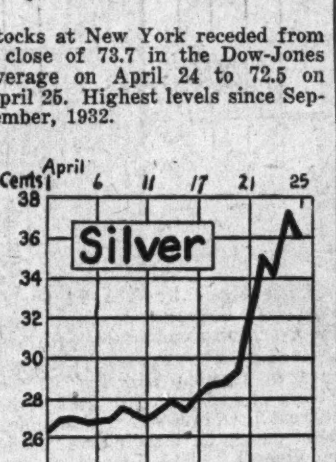
Canadian dollar showed a decline to 87 cents on April 25 from its April high of 88¼ cents reached on the 20th. Highest level since November, 1932.



No. 1 Northern cash wheat dropped from its highest April close of 59⅝ cents, reached on the 24th, to 57⅝ cents on April 25. Back to the levels of August, 1932.



Stocks at New York receded from a close of 73.7 in the Dow-Jones average on April 24 to 72.5 on April 25. Highest levels since September, 1932.



Spot silver at New York receded from 37¼ cents on April 24 to 36 cents on April 25. Well above 1932 high of 31 cents.

NICKEL ORDERS SHARE INTEREST WITH STOCK RISE

By Staff Editor

HUNTINGDON, W. VA. — How hungry the metal industries are for nickel was well exemplified here last week when orders poured in by telegraph following the announcement that United States had gone off the gold standard, and it is the opinion of many that the government planned an inflation policy.

With reviving hope that the proverbial corner has been turned in the economic affairs of the country, a wave of transactions in the shares of the company was precipitated on the New York Stock Exchange and had its counterpart at the plants in the form of orders for the metal. Indications are that President Roosevelt's move in going off the gold standard and the general reaction to increasing prices are the awaited signal for industrial activity.

March Big Month

At the annual meeting of International Nickel Co., R. C. Stanley, president, stated that the last quarter of 1932 was the best from the standpoint of nickel sales in some time. Enquiry here elicited the information that March is the best month from the standpoint of shipments of Huntingdon products in many months, while the stimulus given to buying by President Roosevelt's edict may swell April shipments to an even higher figure.

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Acadia Apts.	[illegible]	Int. Nickel	[illegible]
Anglo-Norcross	[illegible]	Int. Paper	[illegible]
Bank Montreal	[illegible]	Kester Realty	[illegible]
[illegible]	[illegible]	Loblaw	[illegible]
Buywell Food	[illegible]	London & W. Tr.	[illegible]
Beauharnois	[illegible]	MacKinnon Steel	[illegible]
B. C. Packers	[illegible]	Massey-Harris	[illegible]
Can. Airways	[illegible]	[illegible]	[illegible]
Can. Canners	[illegible]	McColl-Front.	[illegible]
Can. Bk. of Com.	[illegible]	Mt. Royal Hotel	[illegible]
[illegible]	[illegible]	Nat. Steel Car	[illegible]
C. N. R.	[illegible]	N. S. Steel	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
C. W. Lindsay	[illegible]	Prairie Cities O.	[illegible]
Dominion Stores	[illegible]	Price Bros.	[illegible]
Famous Players	[illegible]	Que. Cent. Ry.	[illegible]
Globe & Rutg.	[illegible]	Quebec Power	[illegible]
Home Dev.	[illegible]	Royalite Oil	[illegible]
Hudson's Bay Co.	[illegible]	St. Law. Paper	[illegible]
Imp. Oil	[illegible]	S. Can. Pwr.	[illegible]
Int. Hold. & L.	[illegible]	Steel of Canada	[illegible]
Int. P. & Pwr.	[illegible]	St. Law. Flour	[illegible]
Int. Petrol	[illegible]	W. Can. Flour	[illegible]
Int. Util. B.	[illegible]		

MINES AND OILS

[illegible]	[illegible]	Morrison	[illegible]
Cons. Smelters	[illegible]	McVittie-Graham	[illegible]
Dalhousie Oil	[illegible]	Prospec. Airways	[illegible]
Greene-Stabell	[illegible]	Royalite Oil	[illegible]
Halcrow Swayze	[illegible]	San Antonio	[illegible]
Hollinger	[illegible]	Teck-Hughes	[illegible]
Int. Nickel	[illegible]	Vipond	[illegible]
Lake Shore	[illegible]		

PRICE QUOTATIONS

Bonds	[illegible]	Mines	[illegible]
Stocks	[illegible]	Grains	[illegible]

REGULAR DEPARTMENTS

Answers to Enquiries	[illegible]
Bookshelf	[illegible]
Editorial	[illegible]
Grain and Milling	[illegible]
Insurance	[illegible]
Mining	[illegible]
[illegible]	[illegible]
Utilities and Transportation	[illegible]

A GRADUATION GIFT

Which Will be Remembered

Now, regularly priced watches, specially made for Eaton's, bear the name "Solar." It stands for a range of watches, in appearance — as modern as the hour — in workmanship — as accurate and as reliable as modern science can make them. A watch which bears this name is a watch with individuality, a dignified watch, a watch with a character all its own.

Solar — a watch of unusual attainments.

Prices from $10.00 up.

Watch Department — Main Floor — Yonge and Albert Street

THE T. EATON C° LIMITED

S O L A R

ADJOURNMENT BEAUHARNOIS MEET LIKELY

(Continued from page 1)

$5,000, one estimate placing the number of bondholders at 20,000.

Provide Breathing Spell

Inability to secure a quorum for next week's meeting will give the Toronto group further time to work out a plan in opposition to that put forward by Montreal Light, Heat and Power Consold., and officially approved by the Bondholders' Committee.

The Toronto plan, as outlined in The Financial Post, a few weeks back gave greater concessions to the debenture holder. Its principal flaw, however, was that there was no assurance of the balance of capital requirements—$13,500,000—being underwritten.

In contrast to this uncertainty the official plan carried the guarantee of Montreal Power to underwrite the bond issue. In exchange for this undertaking, Montreal Power was to be given a block of common stock under the committee's reorganization plan.

Independents Seek Support

Lengthy negotiations have been carried on by the Toronto group and various Montreal interests with a view to having the first mortgage bonds underwritten. The latter are reported to be in sympathy with the Toronto scheme but are not willing to take the risk of underwriting the bonds without adequate compensation.

Several meetings were held in Montreal last week but a difference of opinion as to "adequate compensation" prevented the reaching of a final agreement. At the time of writing the Toronto group has been unabe to secure the necessary financial backing, though there is a likelihood of a compromise being reached before the bondholders' meeting next week.

Underwriting is Essential

The success of the Toronto plan is wholly dependent upon the efforts of its sponsors to secure the underwriting of the first mortgage bonds. Failure to accomplish this is regarded here and elsewhere as the death-knell of the Toronto scheme and virtual assurance that the Montreal Power plan will be adopted by the bondholders if, as and when a quorum can be secured.

Being to the advantage of those interested in seeing the Montreal Power plan adopted, every means possible are being adopted in an effort to secure more proxies or representation at the meeting.

Clean up Situation

It is considered advisable to have the whole matter cleaned up as quickly as possible. The bondholders' committee has completed its task of securing the necessary funds to bring the plant into production in time to make good on the company's contracts with Montreal and Ontario Hydro.

CRISIS IS NEAR DECISION VITAL AT MAY 3 MEET

(Continued from page 1)

houses in Canada enclosing a resumé of the Toronto plan and a comparison with the Montreal Power plan.

Mr. Pepall, who is prepared to sponsor his plan at the bondholders' meeting, claims four interested parties are vitally affected by his plan, the debenture holders, the Dominion Government, the chartered banks and the common shareholders.

"With the last mentioned group dictating the policy of reorganization, debenture holders might very easily be prevailed upon to endorse a plan which leaves no alternative on their part but to forego income on their investment for a further 4½ years, without any compensating enhancement in income at the end of that period.

"The co-operative plan extends the following fundamental principles to the four groups mentioned above:

"Makes it both possible and desirable for the debenture holders to finance the purchase of $300 first mortgage 40 year 6% bonds per $1,000 debenture held, because by reason of the purchase the debentures cease to be 'dormant' and become income bearing, the total of scrip and cash interest on scrip representing $297 in the 4½ year period, April, 1933, to October, 1937.

"Assures that the stock control of the company passes to debenture holders on subscription.

"Common stock interests whose contributions to the treasury of Beauharnois have been negligible, can own substantial stock interest in a reorganized Beauharnois, providing they make use of the privileges granted to them under this plan and thereby assist debenture holders in the task of completing the development.

Would Recognize Dominion

"The substantial assistance already furnished by the Dominion Government will be recognized by allotting to it in addition to first mortgage bonds, a proportion of the common shares. Possession of a block of shares will thereby place the Government in a position where it can more readily dispose of its holdings when conditions warrant.

"The interested chartered banks to be given a contract from Beauharnois Power Corp., to the effect that funds available for the retirement of scrip from 1938 will be applied in taking up from the banks, first mortgage bonds held as security against non-guaranteed loans;—the Beauharnois Corporation having the right to retire scrip at par in either cash or bonds. This contract would assure the early retirement of non-guaranteed bank loans and offers the banks prior sinking fund advantages.

"When the salient features of this plan of reorganization were submitted to the committee it was never intended that it should be underwritten. The plan contemplated a coast to coast solicitation by dealers on an 'authority basis.' There is ample precedent for handling the solicitation on an 'authority basis' as is evidenced by the financing done for many months past by the Dominion of Canada, the various provinces and other issuing bodies, including public utility corporations. Had the debenture holders protective committee consulted with the executive committees of the Investment Bankers' Association of Canada as to the possibilities of carrying through this plan, it is more than probable Beauharnois would now have in its treasury the necessary funds to complete development. The money to complete the development is needed over a four year period, and the privilege of paying in installments could have been extended to debenture holders."

Heads Attack on Power

The architect of the "Beauharnois Security Holders' Co-operative Plan" and spear-head of the attack on the Montreal Power plan, for the reorganization of Beauharnois Power Corp. is Harry G. Pepall, Toronto. Mr. Pepall neither buys nor sells securities. When the days of corporation financing were in flower he engineered the plans for the public financing of privately owned companies. Having drawn up the plans and brought the necessary parties together he stepped quietly out of the picture.

New Group Formed

Another group of Beauharnois debenture holders has come into being in recent weeks under the guidance of I. E. Weldon, K.C., Toronto. Mr. Weldon has addressed meetings of small investors in Toronto, Montreal and other points and while he has no detailed plan of reorganization his plan is based on the assumption that the Dominion Government will guarantee all first mortgage bonds of Beauharnois Light, Heat & Power Co. and will receive in return 4/7ths of the common stock. Under this plan there would be $40,000,000 of first mortgage bonds, $30,000,000 of debentures and 700,000 shares of common stock of which present debenture-holders would receive 300,000 shares. Mr. Weldon would start paying interest on the debentures as from April 1, 1933, but is not definite as to the rate of interest that would be paid although eight per cent has been mentioned.

The attitude of the committee and of bond houses, in general, so far as expressed to The Financial Post is that the Weldon plan is too "indefinite and therefore impracticable."

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The Nation's Business

(Continued from page 1)

ernment undertaking the loan. Interest takes $17,000,000 a year more than when the present Government came into power. That annual amount at least was controllable by themselves. And a genuine effort at economy will improve the country's credit, making refunding at a lower interest rate possible.

Such unwarranted extravagances as the new radio commission are items which quickly turn from controllable to uncontrollable once they are established and thwart what may otherwise be well-meaning steps toward this necessary economy.

Take the C. N. R. deficit. It is a difficult item for any government to deal with, but even it can be cut if sufficiently drastic measures are taken.

Take war pensions. These must be paid; all Canada demands that. But they have in effect been increased by the decline in living costs and can be cut.

Take old age pensions; these were adopted after the depression started. Mr. Bennett voluntarily increased the Federal Government's share of them. They are not an uncontrollable item at all.

Take unemployment relief, including the agricultural stabilization fund. There has been colossal waste in carrying on necessary relief work. This waste has always been controllable. And what could be more absurd than to label as an uncontrollable item of expenditure farm export bonuses that have not yet even been authorized by Parliament?

The situation is extraordinarily difficult; no one denies that. But the need to preserve the financial integrity of the country and the need for tax reduction to speed recovery, both demand that the Government measure up to the complexity of the task.

There is great room for economy; expenditures can be cut; taxes can be reduced. These are the important points and no amount of quibbling and phrase-making about "uncontrollable" expenditures can deny these facts.

* * *

THE need for a saner viewpoint on matters of government finance than that urged upon the Boards of Trade by Hon. E. N. Rhodes has long been stressed by The Financial Post. In doing this, criticism is levelled at those who permit and justify a system of accounting and financial operation which would unquestionably place in liquidation any business or industrial concern allowed to operate along those lines. There cannot permanently be one method of doing commercial business and another for carrying on the infinitely more far-reaching and important business of a great nation.

For what is the alternative? Admittedly it is a painful process for governments and taxpayers alike if Ottawa follows the lead of any well-managed industrial concern and balances its budget. But it is going to be infinitely more painful and more disastrous to have the Federal Government build up an avalanche of debt which will finally smother many tangible assets of the Dominion.

It is this problem of the wide-open bunghole in the federal money barrel which Mr. Rhodes should put fairly and squarely to Boards of Trades and Chambers of Commerce rather than soothe their well-founded fears with pleasant words about the carefully watched spigot of "controllable" expenditures. How many commercial and industrial members of these bodies would have remained in business in the past four years if they had adopted the unsound financial tactics of the present government at Ottawa?

SAY VESTED INTERESTS MAKE PACT HARD TO NEGOTIATE

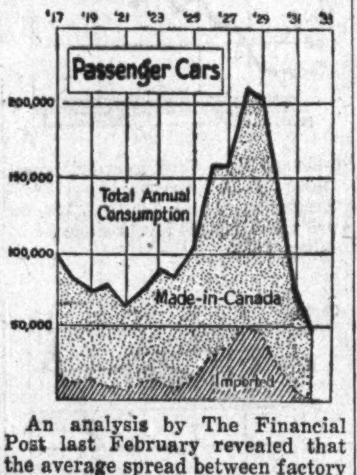
(Continued from page 1)

against exchange fluctuations and dumping of one sort and another, The Financial Post learns.

What U. S. manufacturers have in mind doubtless if they gain their point with Mr. Bennett, is switching some of the Canadian business to their huge U. S. domestic plants now operating at a fraction of capacity. They would also be able to offer cheaper transportation to the Canadian motoring public.

Branch Plant May Go

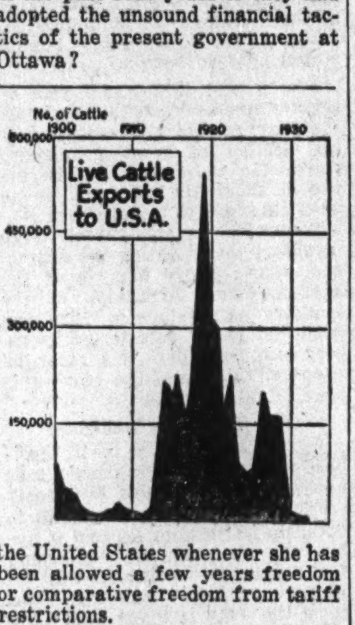
Should the U. S. request for better treatment in the automobile field materialize, it may mean the disappearance of many branch plants which have grown up with increasing speed in recent years. Latest information from the Dominion Bureau of Statistics indicated that there were 26 automobile plants operating in Canada at the end of 1931 as compared with only 17 the years previous and 11 prior to 1929. These figures are exclusive of the automobile part plants which at the end of 1931 totalled 74 against 59 in 1930.



An analysis by The Financial Post last February revealed that the average spread between factory list prices of comparable passenger cars in Canada and the United States was 38 per cent. This is the current premium which Canadians must pay to have their cars "Made in Canada." The spread ranges from 25 per cent in the case of Ford and 39 per cent for Chevrolet, to 55 per cent for the De Soto.

Cattle Biggest Plum

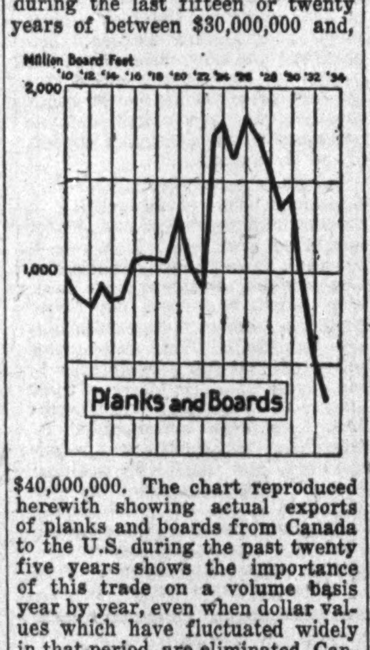
Biggest plum which Canada seeks is probably a renewed market for her live cattle in the U. S. A. A definite trade pact in this regard extending over a period of years would mean millions of dollars to Canadian farmers for the history of this trade in the past thirty or forty years shows that Canada has been able to market anywhere from 100,000 to 500,0000 feeder cattle in the United States whenever she has been allowed a few years freedom or comparative freedom from tariff restrictions.



The accompanying chart shows clearly the zig-zag course of this trade down the years—the all-time peak of 546,000 cattle standing in marked contrast with the current marketings of about 9,000 head yearly. The latest tariff imposed against Canadian feeder cattle in 1930 of 2½ and 3 cents per lb. (according to weight) effectively killed a trade of about 180,000 head annually that had developed between 1927 and 1929 after the Canadian industry had recovered from the 1½ and 2 cents tariff imposed early in the decade.

Lumber Big Market

In lumber Canada seeks to restore a market further restricted last year by the unexpected imposition of tax of $3 per thousand bd. feet and which is in large measure responsible for the fact that Canada's exports of planks and boards to the U.S. are currently valued at less than $5,000,000 as compared with an average export during the last fifteen or twenty years of between $30,000,000 and $40,000,000. The chart reproduced herewith showing actual exports of planks and boards from Canada to the U.S. during the past twenty five years shows the importance of this trade on a volume basis year by year, even when dollar values which have fluctuated widely in that period, are eliminated. Canada's exports of unmanufactured wood and wood products to the United States (exclusive of pulpwood) reached a peak on a dollar basis in the period 1923 to 1928 inclusive, when annual exports were valued at well over $75,000,000. Favorable tariff consideration and any return to prosperity in this industry would mean a great deal to this major Canadian industry.



Fish and Potatoes

Equally important to the maritime provinces would be more favorable treatment to fish and potatoes as a result of a new Canada-U.S. trade pact. Canada's exports of fish and fish products to the United States are currently valued at something over $7,000,000. This compares with a peak trade of about double that amount in most years of the past decade. The all-time peak was $17,600,000 in the fiscal year ending March 31, 1919.

Potatoes exports—now kept out by a tariff of 75 cents per 100 lb. as compared with 50 cents per cwt. three years ago and free admission prior to 1921—are currently at the lowest point for any time since 1925. Current figures indicate exports to the United States in the current fiscal year of less than 700,000 bushels as compared with an average of 4,500,000 bushels in each of the preceding six years. The peak of exports in value was 1921 (fiscal year) with total exports of $8,329,000 and in quantity, 1927 with a total of 6,220,000 bushels.

Prior to June 21, 1932 Canada's copper production found its principal market in the United States. With the four cents per tariff invoked on that date Canada had to seek markets elsewhere and has been very successful in Great Britain. That the United States is the most convenient market is obvious particularly for the British Columbia copper producers as they must ship their concentrate to United States for smelting and refining then export it to the best market they can find.

ONT. SILKNIT TAXES REDUCE NET PROFITS

Preferred Shares Earn $1.51; Cash Position Improved

Decrease in net earnings of Ontario Silknit Ltd. to $158,270 in 1932 from $170,419 in 1931 and increase in fixed charges due to a substantial increase in provision for income tax reduced net profit of the company to $15,126 or $1.51 per share of preferred stock as against $43,934 in 1931. Since no dividends were paid surplus was increased to $58,934. Loss on Canadian business was offset by earnings of the Australian subsidiary.

A smaller amount was necessary to write down net current assets of the Australian company to equal the equivalent in Canadian funds as at Dec. 31, 1932; the provision of $37,420 comparing with provision of $51,286 in 1931. From Dec. 31, 1932, to April 20, 1933, it is stated that improvement in Australian exchange improves the position of the company to the extent of $25,000. Income and surplus account is as follows:

Consolidated Income and Surplus Account Years Ended Dec. 31

	1932 $	1931 $
Net earnings	158,270	170,419
Less: Depreciation ..	50,780	58,173
Income tax prov. ..	54,945	22,026
W/d sub. assets to basis of exch.§	37,419	51,286
Net profit	15,126	43,934
Less appropriations: Preference divds. ..	......	52,500
Surplus for year	15,126	*8,566
Add: Prev. surplus ..	53,647	112,213
Less: W/d sub. assets to basis of exch. ..	......	†50,000
Inc. tax, etc.‡	9,839	......
Balance forward	58,934	53,647

*Deficit.

§Net curr. assets of foreign subsidiary w/d to basis of current rate of exchange applicable to year.

†Applicable to previous year.

‡Australian income taxes, etc., applicable to prior years.

WORKING CAPITAL

	1932 $	1931 $
Current assets	705,989	777,809
Current liabilities ...	210,615	260,442
Working capital	495,374	517,367
Ratio	3.35—1	2.99—1

Additions to fixed assets during 1932 amounted to $67,450 and after reserve of $260,545 for depreciation, fixed assets are carried at $1,151,124. Mortgages payable are reduced to $109,375 from $117,875. There remain outstanding 10,000 shares of seven per cent preference stock on which dividends are in arrears since September 1, 1931, and 40,085 shares of no par value common stock.

RISE IN PRICES AIDS GREATLY CAN. CANNERS

(Continued from page 1)

customers who like the product, have the best chance when exchange conditions become stable.

Inventories of Canadian Canners shown on February 29, 1932, were $7,197,862. At the annual meeting in May, 1932, shareholders agreed to the setting aside from investment and contingent reserve of $1,200,000 "to provide for any non-recurring charge such as foreign exchange inventory revaluations and shrinkage in investments." It is understood that this amount has been sufficient for the purpose.

Executives of the company are hoping that the international economic conference will arrive at some stable basis of exchange between nations and that export business of Canada will no longer have to be done in the dark as to probable developments in the exchange value of money. This company has a large stake in such international rehabilitation.

The inventories in all probability will be shown in the financial statement as large as a year ago, or nearly as large. To meet the British business in fruits that developed banking credit was used, and it is likely that bank loans, which more than a year ago exceeded two million dollars, will be again in excess of this figure. Continued redemption of outstanding bonds will be shown.

Costs Are Low

In the last depression of 1921-22 it was found that inventory companies like Canadian Canners had on the average an improvement of from 10 to 12 per cent in dollar value of inventories in the first year of recovery. Recovery years do not necessarily run true to form but even a ten per cent advance in values for Canadian Canners would on the probable basis of present inventories mean an increase of at least $660,000 or enough to pay 6 per cent first preferred dividends, 80 cents a share on 2nd preference dividends and 50 cents a share on common stock. Even slowly rising prices would probably make the first preferred dividend secure.

One advantage enjoyed by all industrial companies in a time of recovery is that in recoveries from 13 depressions in the last century costs have for a time continued downward after recovery of prices started up. The economies made in depression years then work well for the companies that made them.

Canadian Canners, having established already a fair business in England, stands to gain by improvement in value of the British pound. As that pound gains value in Canadian dollars more goods can be bought with better profit to both seller and buyer. On the other hand, improved value of the Canadian dollar in the United States dollar is not apt to bring in competition of importance as it did not do so in other years when the two currencies were at par.

MONETARY POLICIES OF U. S. A. LIE WITH COMMITTEE OF TEN

(Continued from page 1)

the controlling in order to keep the wild horses of congress in check.

The decision to devalue currency and embark on inflation was not a snap decision; but the decision to take action at once was a snap decision. In any event it would always have had to be such. Once it became known that gold was to be given a larger value in terms of paper money, action had to be taken to put all gold under control of the president in order to avoid huge withdrawals into strong boxes at home and across the ocean.

Is U. S. Money Dictator

The United States went off gold only to enable it to go back on gold again in concert with other nations and at a new parity.

The inflation legislation in Congress gives the president a dictatorship over American money and therefore over money values in the United States.

First item in the inflation programme may be to make an attempt to inject $3,000,000,000 of new money into circulation.

This the States may do by the time-tried process of "open market" operations which means that the Federal Reserve banks may buy government securities in the open market paying for them with new United States paper money. The theory is that the banks and financial institutions from whom the bonds will be bought will have so much additional and idle capital that they will have to find profitable lending use for it.

Second String to Bow

If open market operations fail, then the treasury may print $3,000,000,000 of new money anyway and use it to pay off maturing government bonds and short term notes.

The treasury is ordered to redeem the new money over a period of 25 years— four per cent annually. This is to get over the suspicion that always attaches to fiat money—irredeemable paper currency.

A concession to the advocates of a more important place for silver is made in an additional provision permitting the president to accept up to $100,000,000 of silver from foreign countries in payment of debts owing the United States, the treasury being ordered to print new notes with this silver as backing. The move is more important for its psychological value than for any practical significance it has.

Devalue Gold Dollar

Finally the president is given authority to change the gold content of the dollar by as much as one-half. This is the phase of the programme on which the largest amount of attention has been focussed. But by itself it will not cure the world depression; there must be the necessary "follow through," it is recognized here.

Without currency stabilization over a large range of countries, without removal of some of the existing restrictions upon foreign trading, without a programme that will put money into circulation within the country, it is recognized that gold devaluation will merely increase the pressure upon world prices and ultimately lead to further declines and further distress. In time, the immediate benefits would be lost in the continued deflation of prices and the only people who would be left with any advantage would be investors in gold mines and holders of bonds and other contracts with an enforceable clause requiring payment in gold coin of the "present standard of weight and fineness."

Getting Money Into Use

There are several steps in the follow through process.

The first step is the inflationary programme mentioned above. But not only must money be printed; it must be put into circulation. It is hoped that the programme will provide such stimulus to trade within the United States that the money will be used and used profitably. But the administration is taking no chances. It wants to make sure. That is why the president is delighted to see stocks and commodities soaring. Knowing something about the psychology of the American people he is doiing all in his power to get the stock and commodity markets on the front page. He hopes that the speculative fever to buy will be the starting point for a genuine restoration of business confidence which will trail along behind and build a foundation under the new prices. The administration feels that there is a vast reservoir of deferred buying to tap.

Construction Programme

The programme of large reconstruction follows along in logical sequence. The government, having practically balanced its budget, having in the president's opinion assured the world that American credit is sound, may borrow freely to undertake public works that are considered to be necessary. This will demand new currency which will be ready in almost unlimited quantities.

So much for the internal programme to make inflation "take." The external programme provides for a definite agreement with other countries, notably Britain, Canada and France, upon a new parity for the currencies of those countries in line with the new parity of the American dollar so as to avoid a race for temporary advantage in world trade through competitive currency depreciation.

The difficult phase will be to determine the relative points at which different countries will stabilize.

Economy in Gold

There are additional factors in the international picture. At the present time most countries have provision for a 40 per cent backing of gold against their currencies. It is their currencies. It is felt that this is too high: that 25 per cent would be sufficient. Agreement on this point is sought.

It is also felt that gold has been too freely shipped in the past. An attempt will be made to provide for a stricter control of gold shipments between countries in the future in order that governments rather than private individuals may have control of shipments.

Whatever measure of bi-metallism is necessary, to make agreements acceptable will be conceded and there may even be an entirely new international currency to be used only in settling balances through central banks.

How far can prices rise? The president wants them to rise to around the pre-depression level. The British do not consider such a rise desirable. They feel that so much adjustment has taken place in the economic situation that a level around 1930—or about half way between 1928 and 1933— is sufficient. Power advice is being given the administration to the same effect. If he takes this advice, the president will be faced with the task of giving the country just so much inflation and no more. His task will be to keep Congress in check and to keep speculative fervor in check.

But he does not count on the boom to lead to prosperity. He has plenty of other strings to his bow of which the inflationary programme outlined above represents several. He will try them all if necessary to get business going.

Extreme Measures

There are some last resorts that will be attempted. If all else fails the president will not hesitate to bonus industries to resume again. And if such an unprecedented proceeding also fails then the government will step in and fix minimum prices, printing money to buy all commodities offered at those prices if necessary to keep them where he wants them.

Conservative economists and those who have for long been accustomed to regard themselves as the traditional advisers of presidents are shocked by Roosevelt's daring plans. The people as a whole may be behind the president but he has a growing coterie of critics and enemies in Washington. Horror-stricken conservatives, crowded out of the White House conferences by brilliant young "upstarts," prophesy early doom for the country.

The president knows about all this and ignores it. To him the phrase state socialism means nothing. He does not care what people call his programme as long as it works.

Mr. Roosevelt envisions himself as a man charged with saving not only the United States but our whole world economic civilization and his purpose is to save that civilization before it is a complete wreck and worry later about the problem of returning it to normalcy again.

Devaluation Plans

Currency devaluation was discussed with the British Premier. Washington's forecast is that the president will eventually decide to reduce the gold content of the dollar by 30 per cent; its hope is that the British will do the same with the pound and thus restore the old parity of $4.86 2/3 American dollars for each British pound. But the British are believed to have declared their opposition to this parity. They want the Americans to reduce the gold content of the dollar by 30 per cent while Great Britain cuts the gold content of the pound even more so that the new British pound would be worth about $3.50 of the new American dollars.

But MacDonald left Washington with an understanding between himself and the president that the final parity would be left for the future to determine in the interplay of economic forces.

Of importance is the fact that MacDonald and Roosevelt have decided upon a face-saving formula for the disarmament conference. It was felt that the Economic Conference could not get down to business with uncertainty on disarmament. The Economic Conference is tentatively fixed to open June 12 in London.

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FORCED GRADING SALT COD MOOTED IN NEWFOUNDLAND

Dominion is Losing Sales in S. Europe Through Inferior Methods

Newfoundland has been rapidly losing good markets for her salt codfish in Spain, Italy and Greece largely because of lack of reliable grading and good curing of fish to suit the requirements of the markets. This was the gist of a report to the Newfoundland Minister of Marine and Fisheries by Capt. A. Oldford and D. J. Davies, who recently visited these markets to investigate the loss of sales by Newfoundland. They recommend that compulsory grading of Newfoundland fish under government supervision be started at once, lest more markets be lost, and so that lost sales may be regained.

Icelandic, Russian and Norwegian fish have been displacing the Newfoundland cod in most southern European markets because they are well cured and graded. The flavor of the Newfoundland and Labrador fish appears to be preferred, but misrepresentation of qualities by Newfoundland shippers, and lack of grading and standardization have lost them business. The preference for the flavor of Newfoundland fish is the one optimistic feature of the report, and may indicate that Newfoundland can regain her markets, if her curing and marketing methods are improved.

Contrasting Methods

The contrast between Icelandic and Newfoundland methods of shipping fish is shown in the following extract from the report:

"Our fish arrives in the market—good grade and poor grade mixed together, whereas the Iceland fish arrives in bales marked No. 1, No. 2, and No. 3. Sunburnt, Dun &c., so that buyers know exactly what they are buying and they have absolute faith in the Icelandic descriptions of the Icelandic bales. Our fish arrives in bulk cargoes and it has to be culled and baled in Oporto.

"In one particular case we found a cargo consisting of shore fish and wet salted. This cargo arrived in a very poor condition and we came to the conclusion that on no account should these two types be sent to the markets in the same shipment.

"In our opinion steps must be taken immediately, to guard against our loss of market here and to help us in regaining our lost ground. Shipments must be graded and our certificates must accurately describe the parcels, whether in bulk or in bales. According to the consensus of opinion in this market, fish shipped in steamers, (about 9,000 cwts.) should be baled in brine, but bulk cargoes in sailing ships (about 3,500 cwts.) would be most acceptable in bulk. If a cargo is shipped in bulk the following would be an ideal description—50 per cent No. 1 35 per cent No. 2 and 10 per cent No. 3 and not more than 5 per cent cullage."

Satisfy Southern Spain

Newfoundland is apparently sending the correct type of Spanish shore fish to the Southern Spanish market, except for Barcelona. But the report states that this market can probably be considerably increased by good grading. Barcelona takes no Newfoundland fish, but buys exclusively from Iceland.

The advantages of Icelandic and Russian and Norwegian fish are that it is cured so that a clear white color is obtained. Then it is graded according to both size and quality. Newfoundland fish, on the other hand, is frequently black and dirty in appearance, and may be dried too long, making it too yellow or too dark. Importers think that the salt used in Newfoundland may not be of good quality, and may cause this discoloration. It was recommended by Greek importers that Newfoundland fish be prepared for their market in wet salted and washed and pressed condition, as is done for cod from Iceland and Russia.

The report suggests that it might be advisable to buy advance supplies of Spanish salt, so that it can be matured in Newfoundland, or that English mineral salt be tried.

Recommended Grades

In addition to suggesting strict grading of fish as No. 1, No. 2, No. 3 and culls, the report suggests the following sizes:

Sizes Recommended For Oporto Market

Large, 24 in. and up.
Medium, 19 to 22 in.
Small Medium, 18 in.
Small 12 to 16 in.

Sizes Recommended For Spanish Shore Fish For Southern Spain

Large fish should be 24 in. and up.
Medium fish should be 20 in. to 24 in.
Large small should be 17 in. to 20 in.
Small must measure from 12 in. to 17 in. with no more than 25 per cent less than 14 in.

Suggest Oporto Agent

It also suggested that fish packed in 2 cwt. casks would be best suited for the Malaga market. A Government representative should be appointed at Oporto to advise of special markets which are avaliable at such times as Christmas.

The following markets were visited: Oporto, Lisbon, Alicante, Genoa, Naples, Patras, and Pyraeus.

The report states that if grading is not put into force immediately, Newfoundland will continue to lose ground in 1933. The more the loss in 1933, that harder it will be to regain business in 1934. "We are of the opinion," the investigators state, "that next season the Oporto market will be expecting grading accompanied by certificates from competent government officials." They feel that voluntary grading may serve to stem the adverse tide this year.

Newfoundland Notes

Prize Seed Wheat from the Wembley district of the Peace River area of Alberta will be used for seed purposes in Newfoundland this year, a carload made up of half of Marquis and half of Reward being shipped from that section for this purpose.

George K. Donald has been appointed United States Consul General in Newfoundland to succeed Edward A. Dow. Mr. Donald has been United States Consul General in Guatemala, Central America, for the past five years.

S. S. Imogene arrived in port April 17 having 58,000 seals on board, the largest number for any individual sealer since the business was started in 1863. The total seal catch of the fleet for the season will be in the neighborhood of 160,000.

Apple Crop Leads Fruit Output

The cultivated fruit crop of Canada last year was worth just over ten million dollars, according to the latest report from the Dominion Bureau of Statistics. The apple crop made up more than half of the total value at $5,518,519—the whole fruit crop being worth $10,077,907.

Revaluation of Gold Ancient as Coinage

Ancient Greeks and Romans Debased Coinage—Henry VIII Indulged in Monetary Excesses—History of Pound Sterling Shows Many Revaluations

Reduction of the gold, silver and copper content of coins and national monetary units is as ancient as the history of coins themselves. Reduction of the gold content of the pound sterling and the dollar, such as is now suggested, would provide nothing new to the history of money. It would merely be history repeating itself.

Edward III was the first to reduce the gold and silver content of the pound. He did it between 1344 and 1351. His example was followed later by Richard II, Henry IV, Henry VIII, and many others. Henry VIII's marital excesses were matched by his monetary excesses. He was the father of what is known in English monetary history as "The Great Debasement."

The city states of ancient Greece debased coinage over 2,000 years ago, during the Peloponesian war. When Hannibal, the Napoleon of Carthage, was driving all Roman armies before him, and was approaching the walls of the city in 216 B.C., the Roman citizens cut the copper content of the coins in half. Wars caused inflation even then.

Nero's Record

Nero, the Roman bad boy of the first centuury of the Christian era, started the empire on one of its worst debasement sprees, one which lasted for nearly three centuries.

Gresham's law, which is commonly attributed to Sir Thomas Gresham of the Elizabethan period, was really first expressed by Aristophanes, the ancient Greek satirist and playwright. He noted the essential principle that bad money drives out good, at the time of the debasement of Greek coins during the Peloponesian war.

In Greece it was more difficult to debase coins than in Rome. The reason was that the Greeks did not vest the powers of government and minting in one individual, as the Romans did in their emperors. Most extensive frauds were perpetrated by the Romans in connection with money. It was done usually with the intention of benefitting the ruler.

Copper and Silver

The early history of Roman coins is chiefly one of copper and silver. The copper "as" and the silver denarius were the chief units. The "as" was established in the sixth century B.C. by Servius Tullius, and originally consisted of one Roman pound of copper. It became less in time. The extent of the debasement of the "as" and the denarius is shown in the following table:

Debasement of Roman Silver and Copper Coinage

Date (B. C.)	Silver in Denarius oz.	Copper in "As" oz.	Ratio Silver to copper coins
269	1/6	12	720—1
250	1/6	2	120—1
216	1/7	1	112—1
130	1/7	½	56—1

Gold was given the same treatment by the Romans. A revaluation at present would be directly in line with what happened during the reign of the Emperor Augustus. During the sovereignty of Julius Caesar, 40 gold aureii were coined from a pound of gold. Augustus increased it to 45. By the time of Constantine (323-353 B.C.) the aureus was being coined at the rate of 72 to the pound of gold. Franklin D. Roosevelt, president of the United States, has been given the power to cut the gold content of the dollar in half, if as much is deemed advisable. It may not happen, but it is possible for a modern statesman to debase a coinage more severely than some of the most profligate Roman emperors did.

Increased Alloy

As if it were not enough to reduce the weight of the coins, the later Roman emperors increased the amount of the alloy in them, particularly the silver coins. Nero started it. Up to his time, about 68 A.D., the silver coins had been at least as pure silver as it was possible to obtain with the limited metallurgical knowledge of the ancients. By the end of his reign they contained about five per cent alloy. Between 100 and 160 A.D. Trajan and Antoninus raised it to about 25 per cent. Septimus Severus made it at least 50 per cent about 200 A.D. During the period of Caracalla and others of the "Thirty Tyrants," including some emperors who made Nero's profligacies appear amateurish, the debasement continued. By the time of Aurelian, about 275 A.D., there was only five per cent silver left in the coins, and this sank to two per cent. They had become virtually copper coins.

When one of the great figures of later Roman history, Constantine, came on the scene, faith in the coins was gone. Trade was being carried on in gold, by weight. The monetary system had returned to that of the ancient Babylonians and Egyptians of two or three thousand years before. Thus there was an unconscious working of the age-old cycle of money, from good money to debasement to reform.

Bimetallism Difficult

One of the monetary problems of the ancients was to try to keep two metals in circulation at once in a fixed ratio. This is now known as bimetallism, and it is just as difficult, if not impossible, to operate today as it was in ancient times. No two substances can be exchanged as money for any length of time in a fixed ratio. Neither can they be produced for any length of time on parallel lines of cost. Sooner or later the metal which is relatively cheaper flows out or disappears, due to the working of Gresham's law. The old saw might be rewritten: "Nothing is sure but death and taxes and that bad money drives out good."

During the centuries between Roman coinage and the origin of the pound sterling under Offia, king of Mercia, about 775 A.D., there was a constant struggle with bimetallism, and with debased and clipped coins. The clipping problem was not solved until 1639, when Louis XIII of France started milling the edges of coins. England started milling coins in 1696.

When paper money was first used, it was not long before rapid inflation had debased it. Kublah Khan, one of the sons of the Mongolian war lord, Jhengis Khan, issued some about 1260 A.D. He used it to pay his troops, and to pay for supplies in conquered territories. Marco Polo relates that 228,960 taels were printed in 1267, and that in 1290, 50,002,500 taels were issued. The modern German paper inflation of 1923 was thus antedated by the operations of this Asiatic monarch by more than 600 years. The paper taels, of course, soon lost most of their value for purposes of exchange.

Edward III Debased Coins

Edward III was to some extent obliged to raise the mint price of silver and debase the pound sterling at the start of the 100 Years War. His first debasement did not alter prices much because silver and gold had become scarce. The influx of precious metals into England from the plunderings of the Crusaders had stopped, and mines were not being developed.

In 1344, when the third Edward had completed his first coinage debasement, the mint value of silver to the seller was 22s 4d. By 1816 it was 6s 6d. Now it is purchased at the market price. Between 1344 and 1717, the statutory value of gold to the seller at the mint rose from 22s 9½d to 84s 11½d. Its present market value in London is about 118s.

The following tables give an indication of some of the major changes in the mint value of gold and silver in the history of the pound sterling. The great debasement of Henry VIII occurs between 1542 and 1551.

Rating of Sterling Silver,* Mint Charges and Mint Price in England

Date	Rating per ounce Troy d.	Mint Charges d.	Mint Price per ounce d.
Alfred	20	?	?
991 (?)	21.3	?	?
1276	21.6	1.29	20.3
1344	23.8	1.24	22.4
1351	26.7	1.24	25.5
1412	32.0	1.07	30.9
1464	40.0	4.80	35.2
1526	45.0	1.00	44.0
1542	64.2	16.2	48.0
1545	88.8	37.0	51.8
1546	133.2	81.4	51.8
1551	266.4	155.4	111.0
1560	60.0	1.50	58.5
1601	62.0	2.00	60.0
1666	62.0	nil	62.0
1816	66.0	†	†

*Silver 925/1000 fine.
†Bought at market price.

Rating of Fine Gold, Mint Charges and Mint Price in England

Date	Rating per ounce Troy s.	d.	Mint Charges s.	d.	Mint Price Per ounce s.	d.
1344	23	6.4		8.9	22	9.5
1351	26	9.7		9.8	25	11.9
1412	29	9.5		5.4	29	4.1
1464	37	2.7	4	5.3	32	9.4
1526	45	2.8		2.8	45	0.0
1549	61	10.0	1	10.0	60	0.0
1604	67	7.6	2	8.8	64	10.8
1611	74	7.5	3	9.0	70	10.5
1663	80	10.9	nil		80	10.9
1699	86	11.7	nil		86	11.7
1717	84	11.5	nil		84	11.5

Trend of Revaluation

These figures, taken from Feavearyear's "The Pound Sterling," clearly indicate the trend of debasement and revaluation up to comparatively recent times. In 1920, Great Britain changed the fineness of the silver coins from 925/1,000 to 500/1,000. This change eliminated the "ancient right standard" of silver coins which had been in use in England almost without interruption, except for the Tudor period, since the time of the Norman conquest. In the centuries "the ancient right standard" had become so well known in Europe that the term "sterling silver" grew out of it.

When Henry VIII debased the silver coinage, he used a blanching process to keep the coins from turning a bad color. The process consisted of coating the coins with silver of a higher fineness. The British Government had to do the same thing with the first new issue of debased silver coins in 1922 because many had become discolored.

Establishment of the statutory value of fine gold at 84s 11½d in 1717 has not prevented financing of an enormously increased trade in the United Kingdom since then. The reason, of course, is that an effective credit system has been built on the gold base. Otherwise present prices would be only a fraction of their current level.

Use of Credit Money

Many economists do not believe that far-reaching revaluation of gold is necessary to improve the level of world prices now. They point out that inflations and deflations of credit and prices have taken place with the present gold base. They believe inflation of prices can be engineered through the credit system better than through revaluation of gold. The latter to them seems a clumsy and inelastic expedient.

While the history of the pound sterling appears to be one of pronounced debasement, at least as long as coins alone were the chief means of financing trade, it has a much more respectable history than other currencies of ancient lineage. The lowly franc, for instance, was once known as a livre, and is directly descended from the libra of Charlemagne. The almost equally lowly Italian lira traces its origin to the same source. The French sou, the Italian solda, and the English shilling were the same unit in the eighth century.

Feavearyear comments: "Against these examples the history of the English standard appears eminently respectable."

The comparatively short histories of United States and Canadian dollars, the former of which was only established in 1792, and revalued downward since, do not allow much scope for the operation of the debasement cycle. But in a few years they may.

First Arrival From Ice S.S. Eagle Has Good Catch

First arrival from the Newfoundland seal fishery, S. S. Eagle arrived in St. John's on April 10 with 25,000 pelts on board and reported that seals over the whole ice area were more prolific than at any time in recent years. Of the total catch, 3,400 were bedlamers and the balance prime young whitecoats.

Captain Hill stated that seals were tamer than he had ever seen them, thousands being on loose ice which the Eagle had to break through on her way to port. Exceedingly heavy sheet ice, combined with changeable weather conditions, made for difficulties and a number of flags, marking about 1,000 pelts, were lost.

Halifax Building Activity Gains

Building activity is increasing in Halifax, the permits issued in March amounting in value to $74,595, which is more than those of January and February combined and exceeds those of the previous March by $24,035.

General Manager

AIME PARENT
Formerly treasurer of the city of Verdun, Que., who has been appointed general manager of the Sun Trust Co. Ltd., Montreal.

INTER. HOLDING INCOME RECORDS SHARP DECLINE

Heavy Realization Loss Reported During Past Year

From Our Own Correspondent

MONTREAL—Total income of International Holding and Investment Co. during 1932 was $525,429 compared with $1,102,813 in the previous year. After expenses and payment of the "Fisa" dividend for 1931 there was a deficit of $35,309.

Various adjustments have been made in surplus account. To make a distinction between earned income and capital profits or losses directors have written back and show as a separate item a net realization loss of $684,597 incurred in 1930. During the past year a net realization loss of $1,437,585 was sustained, making a total capital loss incurred on realization of investments, less extraordinary income of $2,122,182 in the past three years. Offsetting this is earned surplus, which, through adjustments made through the writing back of $684,597 previously mentioned, leaves a balance of $576,695 in surplus compared with $896,200 at the end of the previous year.

Profit and Loss

Following is a comparison of profit and loss for the past two years.

	1932 $	1931 $
Total income	525,429	1,102,813
Less: Admin. exps.	39,245	41,066
"Fisa" divd.	521,493	471,601
Net profit	*35,309	597,456
Add: Prev. surplus	896,199	†298,743
Adjustment	684,597	......
Bal forward	1,545,487	896,199

†Adjusted. *Deficit.

Investments Show Decline

Balance sheet shows investments at a cost of $49,805,753. Amounts written off total $16,152,293 leaving present book value at $33,653,459. Value of these investments at the year end were $13,306,934 or a depreciation of $20,346,525 from book value. Book value at the end of 1931 was $35,565,756. Cash shows an increase of $196,000 at $239,135. Unsecured loan repayable in January, 1934, has been reduced by $649,000 to $751,200.

In liabilities loans of $903,633 shown in 1931 have been eliminated. Capital structure is unchanged. There is still a contingent liability in respect of a guarantee for 30 years from 1928 to pay 6 franc dividends on 2,000,000 A shares of "Fisa." This has been paid to December 31, 1931; auditors point out that no provision has been made in this respect for 1932, nor in respect for depreciation of investments.

McCOLL PROFITS $1.53 PER SHARE DURING PAST YEAR

Revenues Record Moderate Decline from 1932 Showing

From Our Own Correspondent

MONTREAL.—Moderate decline in earnings and an improvement in working capital position are reported by McColl-Frontenac Oil Co. for the year ended January 31 last in comparison with the preceding year.

Gross profits from operations totalled $3,029,269 as against $3,367,285 in 1932. After smaller write-offs for various reserves and other prior charges, earnings on the common stock equalled $1.53 a share as compared with $1.81 in the previous year.

Smaller Surplus Forward

Particulars of the income account for the past three years follow:

	1932-33 $	1931-32 $	1930-31 $
*Profits	3,042,794	3,370,186	2,449,546
Deprec.	633,313	600,000	450,000
	2,409,481	2,770,186	1,999,546
Bond int.	†679,595	643,398	522,038
	1,729,886	2,126,788	1,477,508
Bank int.	13,525	2,900	35,874
	1,716,361	2,123,888	1,441,634
Bond amort.	47,180	43,563	39,199
	1,669,181	2,080,325	1,402,435
Cont. res.	155,268	384,741	......
	1,513,913	1,695,584	1,402,435
Bad debts	147,052	167,833	154,928
	1,366,861	1,527,751	1,247,507
Income tax	135,100	147,400	50,287
	1,231,761	1,381,351	1,197,220
Subsid. div.	......	......	5,235
	1,231,761	1,381,351	1,191,985
Pfd. divid.	466,563	473,393	480,237
	765,198	907,958	711,748
Com. divid.	299,987	297,352	293,182
Surplus	465,211	610,606	413,567
‡Adjust.	......	......	358,273
	465,211	610,606	55,295
Prev. surp.	2,039,143	1,428,537	1,372,246
P. & L. bal.	2,504,353	2,039,143	1,428,540

*Profits from operations and miscellaneous revenue.
†Includes U. S. exchange of $87,335.
‡Reserve for investments in affiliated companies and adjustments of prior years.

Working Capital Position

	1932-33 $	1931-32 $	1930-31 $
Curr. assets	5,842,100	5,703,524	5,210,101
Curr. liabs.	1,209,708	1,501,078	1,438,148
Work. cap.	4,632,392	4,202,446	3,771,953

Several changes are noted in the balance sheet as at January 31, 1933, when assets totalled $33,491,919 compared to $32,483,454 at the end of the previous year. Deferred contract liabilities have been reduced from $271,297 to $120,196. Mortgages payable are down about $75,000 to $275,614.

Add to Funded Debt

The company's outstanding funded debt has been increased by $100,000 to $9,880,000. It is understood that the additional bonds were sold in the early part of last year and the proceeds used for the acquisition of properties. It is also noted that $60,000 of the company's bonds have been purchased in anticipation of sinking fund requirements.

Retire More Preferred

There has been a further reduction in outstanding preferred stock, issued shares having a par value of $7,750,800 as against $7,806,800 a year ago. There is no change in issued common shares at 500,000 shares.

On the asset side of the balance sheet investment in and advances to affiliated companies has been reduced from $1,040,102 to $993,258.

Shares purchased for resale to employees are shown on the books at $294,381, down from $307,764 a year ago.

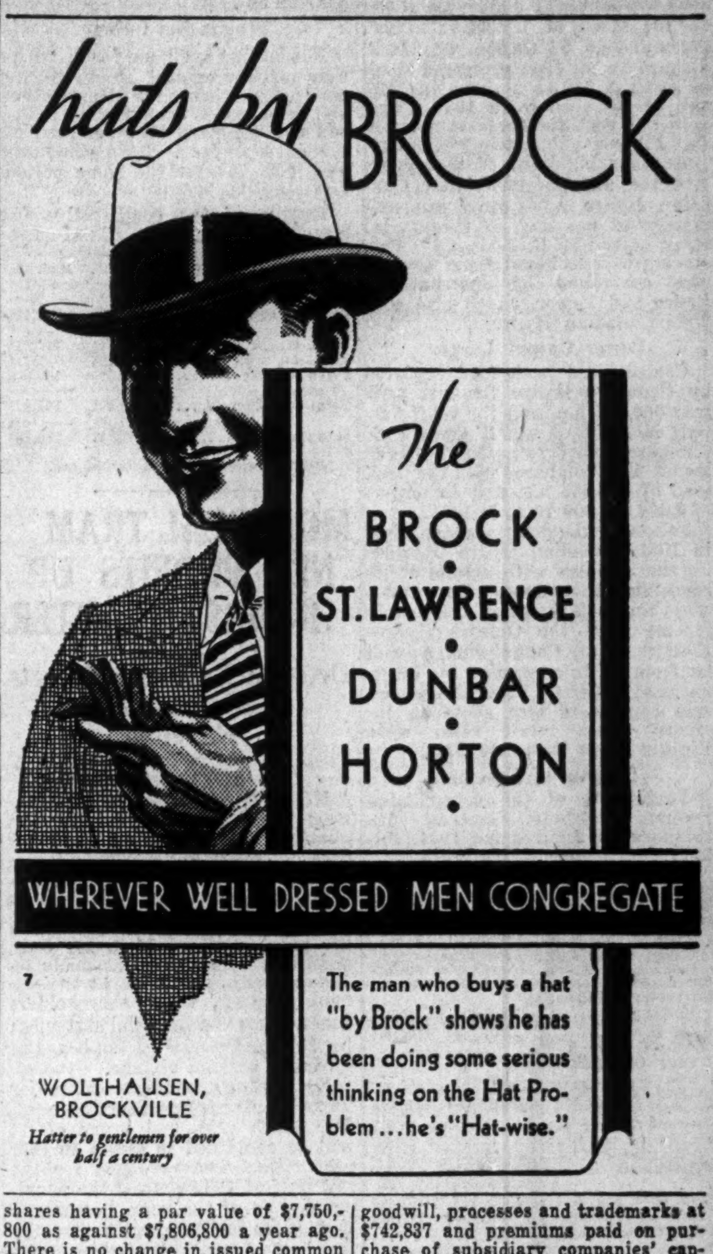
Segregate Goodwill

Property account shows an increase in book value from $24,487,513 to $25,398,742. Land, buildings and equipment at cost have moved up over $900,000 to $17,713,426. Intangible "fixed assets" have been segregated in the current report to show goodwill, processes and trademarks at $742,837 and premiums paid on purchase of subsidiary companies' capital stock at $6,942,479. The values assigned to these two items aggregate the same as the amount shown in the 1932 report.

Should Have Been 1932

An unfortunate error occurred in the Chrysler Corp. of Canada, Ltd. advertisement on page 10 of the last issue. In referring to new car registration figures, the advertisement should read "In 1932, the corporation had 17.4 per cent of the total passenger automobile business of these countries, as against 12 per cent in 1931."

SAFETY OF CAPITAL—CERTAINTY OF INCOME
Safeguard Your Estate
and your family by appointing this Company as one of your Executors.
Crown Trust Company
392 ST. JAMES STREET • MONTREAL
LET US SERVE YOU AND YOUR FAMILY


hats by BROCK
The BROCK ST. LAWRENCE DUNBAR HORTON
WHEREVER WELL DRESSED MEN CONGREGATE
The man who buys a hat "by Brock" shows he has been doing some serious thinking on the Hat Problem... he's "Hat-wise."
WOLTHAUSEN, BROCKVILLE
Hatter to gentlemen for over half a century

WITH FISHER NO-DRAFT VENTILATION

Now... the Leader gives you Chevrolet quality in
TWO LINES OF CARS... TWO PRICE RANGES

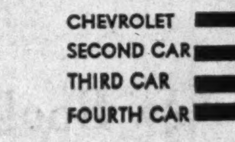
STANDARD SIX
FROM $720
MASTER SIX
FROM $786
Delivered, fully equipped, at Factory, Oshawa, Ontario
(Freight and Licence Additional)
PRODUCED IN CANADA

NOW, there are two Chevrolet Sixes to choose from—the famous Master Six, leading all other cars in sales, and its new companion car, the Standard Six. Both give you the same high quality—the same proved satisfaction—and the same smart Air-Streamed style. And Chevrolet offers you matchless savings!

You'll pay less for a Chevrolet than for any other six-cylinder closed car on the market. You'll spend less on it for gasoline and oil than you would on any other full-size automobile... and less to keep it in first-class mechanical condition.

Then, in addition to saving all this money on a new Chevrolet, think how much worry you'll be spared—driving a safe, reliable car, with new tires, new battery, a trouble-free chassis, and safety plate glass in the windshield and window ventilators. Think of the comfort and relaxation of riding in a restful Fisher Body car, powered by a smooth, quiet, six-cylinder engine, and equipped with Fisher No-Draft Ventilation. Imagine the pride and satisfaction of owning one of the smartest and most attractive cars on the road today—the big, new Chevrolet Six—Canada's largest selling car.

CHEVROLET LEADERSHIP
Canada-wide registrations for January and February, and early figures for March, show that Chevrolet is outselling every other car by the wide margin indicated below:-



Actually every third car sold in Canada during 1933 has been a Chevrolet Six.
C-148
CHEVROLET STANDARD & MASTER SIX
CHEVROLET
THERE IS A CHEVROLET DEALER NEAR YOU TO SERVE YOU

Utilities and Transportation

CANADIAN HYDRO COVERS CHARGES BY GOOD MARGIN

Preferred Share Earnings Equal $21.82 — $3.38 More Than in 1931

From Our Own Correspondent

MONTREAL. — Reflecting the fact that production of energy for 1932 was the greatest since the formation of the company, earnings of Canadian Hydro-Electric Corp., amounted to $9,492,549 compared with $9,144,290 in 1931. After taking care of all prior charges, balance available for dividends on the capital stock of Canadian Hydro amounted to $2,728,056, or $21.82 a share on the first preferred stock as against $18.44 a share in 1931 and $15.40 a share in 1930. This is in line with the forecast made in The Financial Post two weeks ago.

Another highlight of the report was the announcement that Canadian Hydro now owns approximately 49 per cent of the capital stock of the E. B. Eddy Co. This stock was purchased from companies controlled by International Paper and Power, which also controls Canadian Hydro.

Power Output Larger

Consolidated peak load reported by Canadian Hydro for last year was 660,087 h.p. and the total output, including a small amount of purchased power, was 2,237,413,000 kw.h. This compares with the peak load of 650,235 h.p. and an output of 2,423,056,000 kw.h. in 1931.

Following the practice established in 1931, Canadian Hydro provides its shareholders with details of its consolidated revenue. The statement for 1932 shows an increase in income from the Ontario Hydro-Electric Power Commission, as well as from mills controlled by International Paper Co. Sales to wholesale consumers also show an increase while retail sales were slightly lower than in 1931.

Sources of Revenue

Particulars of the consolidated revenue for 1932, together with comparative figures for 1931, follow:

	1932 $	1931 $
Ontario Hydro	4,487,732	4,288,291
Ottawa Electric, Hull Electric, Ottawa W. Works, Grand Falls, Dalhousie & others	424,079	374,651
Retail sales	859,584	887,613
International Paper:		
Motive power	1,960,458	2,117,731
For steam	891,225	494,531
Canada Cement, E. B. Eddy Co., Fraser Cos.	534,891	534,839
Gatineau Bus. Co.	77,187	......
Interest income	127,755	298,590
Dividend income	84,489	25,620
Int. during const.	427	25,873
Merchandise profits	10,067	22,419
Miscellaneous	37,705	27,242
Total oper. profits	9,492,549	9,197,407
Profit on exchange	162,080	114,282
Profit bonds redeemed	235,140	......
Total	9,889,769	9,311,639

Pay on Second Preferred

In addition to the regular dividend on its first preferred stock, Canadian Hydro declared a full year's dividend on the second preferred stock, all of which is owned by International Hydro-Electric System. After these charges there was a surplus revenue of approximately $1,200,000 shown in the following profit and loss statement:

	1932 $	1931 $
Gross revenue	9,889,768	9,311,639
Less: Expenses	1,488,690	1,460,970
Net revenue	8,401,078	7,850,669
Less: Interest on debt	3,541,040	3,445,245
Deb. interest	1,133,947	1,157,180
Depreciation	687,384	594,123
Disc. on debt	356,118	344,042
Sub. divds.	4,533	4,533
Net income	2,728,056	2,305,546
Less: 1st pfd. divd.	750,000	750,000
2nd pfd. divd.	750,000	1,500,006
Com. divds.	......	501,000
Balance	1,228,056	*445,454
Add: Prev. balance	7,702,743	8,259,547
Less: Dec. appraisal assets	......	111,350
Balance forward	8,930,799	7,702,743

*Deficit.

Examination of Canadian Hydro's consolidated balance sheet as at December 31, 1932, shows assets of $144,746,670 compared with $143,595,493 at the close of the previous year. One of the principal changes is the elimination of advances owing by International Paper and Power Co. These totalled $2,556,313. Outstanding funded debt was reduced during the year; no new financing was undertaken, and Gatineau Power Co. purchased for sinking fund purposes and retired $337,500 of its first mortgage bonds and $322,500 of the 6 per cent debentures. There is no indebtedness to the banks, while no important maturities of funded debt fall due until 1941.

Secure Eddy Stock

The principal change in capital assets is the increase in other investments at cost from $360,000 to $3,860,002. This is largely accounted for by the purchase of the minority interest in the E. B. Eddy Co.

Of the current assets amounting to $1,470,514, $880,110 represents accounts receivable. All but about $100,000 of these accounts were received in cash during January, 1933.

The other changes in the balance sheet are of a minor character and are of no particular importance.

Expect Lower Earnings

In making his report to the shareholders, Archibald R. Graustein, president, stated that net earnings for the first six months of 1933 will probably run slightly behind those for the comparable period of 1932 when Canadian Hydro was realizing an exchange profit on its excess United States funds. In 1932 a further profit was realized through repurchase at substantial discounts of Gatineau Power Co. securities for sinking fund. Under normal conditions, Mr. Graustein points out, this profit cannot be counted upon.

As for earnings in the future, Mr. Graustein says that earnings from operations, unless adversely affected by the acute depression in the pulp and paper industries or otherwise, should increase gradually for the next several years as existing long-term contracts provide delivery of additional power totalling 71,472 h.p. over the next seven years. This power is now being sold at comparatively low rates for the production of steam and can, for the most part, be delivered as primary power from existing plants with comparatively little additional capital expenditure or increase in operating costs.

Quebec Power Income Lower First Quarter

From Our Own Correspondent

MONTREAL—Gross revenues of Quebec Power Co., controlled by Shawinigan Water and Power Co., for the first quarter of 1933 were about $105,000 lower than for the same period of 1932, income having amounted to $968,933 compared with $1,083,428.

Operating expenses, taxes, exchange on interest payments in United States funds, and fixed charges, amounted to $735,891 as compared with $797,695 for the first quarter of 1932.

Drop in Net Income

Net income available for distribution on the capital stock, before making provision for depreciation and income tax, amounted to $233,042 for the first three months of the current year. This compares with $285,733 for the same period last year.

Details of the comparative income accounts for the initial quarters of 1933 and 1932 follow:

	Mar. 31, 1933 $	Mar. 31, 1932 $
Gross revenue	968,933	1,083,428
Oper. exp., etc.	571,461	643,265
Exch. on bond int.	17,734	7,734
Fixed charges	146,695	146,695
Total deduction	735,891	797,695
*Surplus	233,042	285,753

*Before depreciation and income tax.

MONTREAL TRAM NET PROFITS UP IN FIRST QUARTER

Drop in Expenses Offsets Decline in Gross Revenue

From Our Own Correspondent

MONTREAL.—Receipts of Montreal Tramways Co. for the first quarter of 1933 declined 11.44 per cent but operating expenses (principally on account of a readjustment of employees' wages which went into effect at the beginning of the year) declined 14.45 per cent, according to a statement made by Julian Smith, president, at the annual meeting, when shareholders passed upon the financial statement for 1932 and re-elected the board of directors without change.

No capital expenditure of major importance is planned for this year, Mr. Smith said, and every effort will be continued to effect further economies. The revenues for the last half of 1932 showed the heaviest decline of the year, he said, so that it is easily possible that the last half of 1933 will make a better showing than the same period in 1932.

Premium Drop Helps

The financial position of the company has been aided by the recent advance in the value of the Canadian dollar in the United States by decreasing the premium payments on the company's bond interest. Last year the company paid a premium of $331,368.

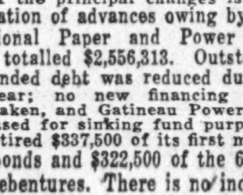
In discussing results of last year's operations, Mr. Smith told the shareholders that receipts from revenue passengers declined 9.19 per cent in 1932. The average decline in other Canadian cities was 11.12 per cent and in United States cities 12.18 per cent. While Montreal Tramways' revenue decline was severe, Mr. Smith went on to say it was considerably less than the average decline in similar companies operating on this continent.

Southern Canada Power Earnings Trend Lower

From Our Own Correspondent

MONTREAL.—Southern Canada Power Co. reports gross earnings for March at $168,903, a reduction of $12,217 from the same month a year ago. Expenses on the same comparative basis were reduced by $2,145 to $52,431, leaving net earnings at $10,072 lower at $106,472.

For the six months ended March, 1933, cumulative returns of Southern Canada Power show gross income of $1,095,365 and operating expenses of $380,716, leaving a net income of $714,649. For the corresponding period of the preceding year, gross revenue amounted to $1,167,410, operating expenses $436,691 and net income of $730,719.



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This has been issued as an aid in compiling income tax returns and as a reference book when purchases of stocks are contemplated.

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GATINEAU POWER EARNINGS IN 1932 SET NEW RECORD

Surplus of Nearly $1,000,000 After Providing for All Charges

From Our Own Correspondent

MONTREAL.—Operating income of the Gatineau Power and subsidiary companies, subsidiaries of Canadian Electric Corp., established a record for 1932 when they aggregated $9,629,856 as compared with $8,874,108 in the previous year.

After taking care of operating expenses and other prior charges, balance of earnings available for distribution on the capital stock totalled $2,432,713. This compares with $1,811,977 in 1931. Particulars of the profit and loss income account for the past two years, follow:

	1932 $	1931 $
Gross revenue	9,629,856	8,874,108
Less: Expenses	1,233,358	1,214,703
Net revenue	8,396,498	7,659,405
Less: Bond interest	3,540,971	3,440,739
Deb. interest	1,402,137	1,451,520
Depreciation	628,454	575,022
Disc. on debt	356,118	344,042
Sub. divds.	36,105	36,105
Net income	2,432,713	1,811,977
Less: Pfd. divds.	1,500,000	*2,000,000
Balance	932,713	†188,023
Brought forward	1,091,261	1,279,284
Carried forward	2,023,974	1,091,261

*16 months. †Deficit.

Lower Funded Debt

Gatineau Power's consolidated balance sheet at the end of 1932 showed assets totalling $141,203,486 as against $140,989,492 at the close of the previous year. Funded debt outstanding has declined from $89,739,11 to $89,036,000. Reductions were effected in all funded debt items with the exception of the Series B debentures which remain unchanged at $7,500,000.

The amount due to Canadian Hydro Electric Corp. has been reduced from $6,064,921 to $5,391,490.

Other changes among liabilities are of little importance, while the same statement applies to assets.

Sources of Revenue

Following are details of the consolidated revenue of Gatineau Power Co. and subsidiaries for 1932 and 1931:

	1932 $	1931 $
Ontario Hydro	4,487,732	4,288,298
Ottawa Electric, Hull Electric, Ottawa W. Works, Grand Falls, Dalhousie & others.	424,079	374,651
Retail sales	859,534	751,763
International Paper:		
Motive power	1,960,458	2,096,731
For steam	891,225	494,531
Canada Cement, E. B. Eddy Co., Fraser Cos.	534,891	534,839
Interest income	17,733	66,616
Dividend income	18,240	13,680
Int. during const.	427	25,873
Merchandise profits	7,714	20,569
Miscellaneous	33,603	92,824
Total oper. income	9,232,636	8,759,875
Profit on exchange	162,080	114,232
Profit bonds redeemed	235,140	......
Total	9,629,856	8,874,107

QUEBEC CENTRAL TRAFFIC DECLINES

Smaller Pulp and Paper Output Has Effect on Earnings

From Our Own Correspondent

MONTREAL. — Earnings of the Quebec Central Railway Co. declined in 1932 largely owing to conditions in the pulp and paper industries. The principal products of the territory served by the road consist of pulpwood, paper, lumber and other forest products, asbestos and other building materials. Highway competition in both freight and passenger traffic also had a detrimental effect on earnings, it is stated. No figures on earnings of the railway for 1932 have been made public.

At the annual meeting of the Quebec Central Transportation Co., held it was stated that results for the 1932 season were considered satisfactory under the circumstances. Motor coach services will be resumed during the coming season between Sherbrooke and Newport, Vt.; and Levis and Valley Junction and St. George.

The following board of directors for the railway was elected: Grant Hall, Montreal; J. H. Walsh, Sherbrooke; E. E. Lloyd, Montreal; W. H. Curle, K.C., Montreal; Chas. D. Brassey, London, England, and Thos. Lindley, London, England.

The officers of the railway and transportation companies are Grant Hall, president; J. H. Walsh, vice-president; H. C. Oswald, secretary and G. D. Wadsworth, general manager.

Public Utility Earnings

Southern Canada Power

March:	1933 $	1932 $	Dec. $
Gross earn.	168,903	181,120	12,217
Expenses	62,431	64,576	2,145
Net earn.	106,472	116,544	10,072
Six Months:			
Gross earn.	1,095,365	1,167,410	72,045
Expenses	380,716	436,691	55,975
Net earn.	714,649	730,719	16,070

B. C. Power

March:	1933 $	1932 $	Dec. $
Gross earn.	1,047,149	1,180,314	133,165
Expenses	702,946	801,909	98,963
Net earn	344,203	378,405	34,202
Nine Months:			
Gross earn.	9,782,138	10,834,572	1,052,434
Expenses	6,681,857	7,272,500	590,643
Net earn.	3,100,281	3,562,072	461,791

Quebec Power

Three Mos. end. March 31:	1933 $	1932 $
Gross revenue	968,933	1,083,428
Oper. exps., taxes, etc.	571,461	643,265
Net revenue	397,472	440,162
Less:		
Fixed charges	146,695	146,695
Exch. on bond int.	17,735	7,735
Surplus†	233,042	285,735
Times fixed chgs. & exchange earned†	2.42	2.85

†Before depreciation and income tax.

Twin City Rapid Transit

Three Mos. end. March 31:	1933 $	1932 $
Gross rev.	2,213,455	2,723,931
Oper. exp.	1,767,335	2,013,823
Net rev.	446,120	710,108
Fixed chgs. & taxes	467,084	500,589
Net income	*20,964	209,519

*Loss.

Brazilian Traction

March:	1933 $	1932 $	Dec. $
Gross earn.	2,316,174	2,543,222	227,048
Oper. exp.	1,080,262	1,123,632	43,370
Net earn.	1,235,912	1,419,590	183,678
Aggre. gross from Jan. 1.	6,852,136	7,370,524	518,388
Aggre. net from Jan. 1.	3,642,671	4,110,423	467,852

C. N. R. Income Loss Nears Billion Mark

Fourteen-year Record Presented of Losses Incurred by People in Railway Operation

The Canadian National Railways is a merger of a number of railway systems of which the most important are the Canadian Northern Railways, the Grand Trunk Railway the Grand Trunk Pacific Railways, the National Transcontinental Railway and the Intercolonial Railway.

The first year in which all of these lines were combined was the year 1919. Complete consolidation was not arrived at until Sir Henry Thornton took over the railway in 1923. Since then the railway has been expanded both by the construction of new lines and by the purchase of numerous small feeder lines throughout the country.

By making excerpts from the annual statement of the Canadian National Railways for the past ten years and by putting together the individual figures of different railway companies for the prior four years it is possible to arrive at a fourteen-year record of the Canadian National Railways. The comparative figures reveal many interesting facts.

Smallest on Record

One of the most striking facts is that in 1932 the gross operating revenues of the Canadian National Railways fell below $200,000,000 for the first time since 1919 and that the gross operating revenues were the smallest since the government took over the different lines.

In 1919 operating revenues were just $1,100,000 short of the $200,000,000 mark. In every subsequent year until 1932 they were over $200,000,000 but in 1932 operating revenues fell to $161,100,000.

This is one of the most important facts about the railway problem and it gives ample evidence that declining traffic is one prime cause of the present railway problem in Canada and that the problem is not entirely due to extravagant capital and operating expenditures.

The following tables indicate the gross operating revenues of the Canadian National Railways and its predecessor companies for the years 1919 to 1932.

Gross Operating Revenues

1919	$198,900,000
1920	236,700,000
1921	228,700,000
1922	234,100,000
1923	253,100,000
1924	235,600,000
1925	245,000,000
1926	253,400,000
1927	256,600,000
1928	304,600,000
1929	290,500,000
1930	251,000,000
1931	201,000,000
1932	161,100,000

Less money was spent to operate the Canadian National Railways in 1932 than in any previous year. Between 1928 and the present, nearly $100,000,000 has been cut off the operating expenses of the railway. After payment of these expenses the net operating revenues for the railways have varied as follows:

Net Operating Revenues

1919	Deficit	$ 14,200,000
1920	"	34,500,000
1921	"	11,500,000
1922	Surplus	2,900,000
1923	"	20,400,000
1924	"	17,200,000
1925	"	32,300,000
1926	"	47,900,000
1927	"	42,100,000
1928	"	54,900,000
1929	"	41,900,000
1930	"	22,200,000
1931	"	1,200,000
1932	"	5,900,000

It is hardly fair though to consider any of these figures as in the nature even of an operating profit because no allowance has been made in them for income or deficits on hotel operations, for taxes, for uncollectable revenues. Likewise a whole host of accounts of one kind and another which might properly be shown as against railway operations are not included. For instance, The Canadian National Railways has to pay rent for the use of locomotives and other equipment. Likewise it receives rent from other railroads. It pays some rent for running rights over other tracks and it pays rent for the lease of lines, etc. After adjustment for all these figures, the amount available for the payment of interest on the bonds of the railroad is somewhat smaller because the debit items usually exceed the income items under this heading.

However, the amount available to pay interest on these railways bonds has been in each of the fourteen years referred to as follows:

Amount Available to Pay Interest

1919	Deficit	$ 17,100,000
1920	"	35,100,000
1921	"	14,500,000
1922	Surplus	1,700,000
1923	"	13,500,000
1924	"	14,700,000
1925	"	30,400,000
1926	"	42,900,000
1927	"	38,300,000
1928	"	49,600,000
1929	"	37,300,000
1930	"	15,700,000
1931	Deficit	5,300,000
1932	"	4,000,000

Canadian National Railways has outstanding in the hands of the public bonds to the amount of $1,264,500,000.

On this debt the railway paid in 1932 interest of $56,965,000. After payment of interest on its debt to the public deficits and surpluses of the Canadian National Railways in each of the years 1919 to 1932 were as follows:

Deficit After Paying Interest to Public

1919	Deficit	$ 45,700,000
1920	"	66,200,000
1921	"	48,900,000
1922	"	33,000,000
1923	"	21,500,000
1924	"	23,700,000
1925	"	9,900,000
1926	Surplus	3,200,000
1927	Deficit	2,200,000
1928	Surplus	7,800,000
1929	Deficit	8,200,000
1930	"	35,600,000
1931	"	58,900,000
1932	"	61,000,000

But then there is the Canadian taxpayer to be looked after. It is by now a familiar fact to most business men that each year the Canadian National Railways charges up in its account an amount to cover interest to the government on all the money that has been advanced by the government for those capital expenditures and the income deficits that has not been paid for by issues of the railways' bonds directly to the public. Likewise interest is allowed the government on the value of some of the properties taken over but not on all. The arrangement has never been reduced to a fair and business-like arrangement. The interest allowed works out at slightly more than two per cent on the Canadian taxpayers' investment in the railway. While it is allowed for in the railway accounts the item is simply one of bookkeeping because it is never treated by the Dominion Government as revenue since it is never received and obviously could not be received as the Canadian National Railways has not nor doesn't earn the resources to pay it.

However, after allowing for interest on advances from the government the income deficits of the Canadian National Railways in each of the fourteen years have been as follows:

Income Deficit After Allowing for Interest to Government

1919	Deficit	$ 55,300,000
1920	"	80,500,000
1921	"	69,900,000
1922	"	57,900,000
1923	"	51,700,000
1924	"	54,900,000
1925	"	41,400,000
1926	"	29,900,000
1927	"	34,400,000
1928	"	24,700,000
1929	"	40,900,000
1930	"	68,300,000
1931	"	93,500,000
1932	"	96,500,000

But it must not be considered that this represents the true profit and loss deficit of the railway. Each year the railway makes a little profit on the sale of road and equipment and obtains credits in other ways. Each year it has expenses in connection with the loss on retired road and equipment, adjustments, etc. After allowing for these the net system loss of the railway in each of the fourteen years has been as follows:

Profit and Loss Deficit After Adjustments

1919	Deficit	$ 55,300,000
1920	"	80,500,000
1921	"	69,900,000
1922	"	57,900,000
1923	"	54,600,000
1924	"	54,500,000
1925	"	41,600,000
1926	"	28,600,000
1927	"	39,200,000
1928	"	33,400,000
1929	"	46,200,000
1930	"	73,800,000
1931	"	99,300,000
1932	"	101,300,000

It will be noted that for the years 1919 to 1922, the net income loss is shown at the same figure as the income deficit shown above. This is because the C.N.R. did not publish a consolidated statement until 1923.

All of this deficit amounting in 1932 to more than $100,000,000 is borne directly or indirectly by the taxpayers of Canada. Some of it is charged to consolidated fund such as the deficits on the Maritime Province lines and the interest on the Dominion Government bonds that were issued to meet the Canadian National Railways deficits. A large part of the sum though is simply added to the Dominion or the railway debt every year and is something for posterity to worry about.

Freight Bonus Is Extra

Each year the Dominion Government bonuses the railway for carrying freight in the Maritime Provinces by paying 20 per cent of the cost of all freight charges in that area. But this bonus has been included as an operating revenue just as though it were paid by the general public. The C.P.R. shares equally in this subsidy, which cannot be said to contribute to the cost of government railway operations in Canada and for that reason has not been added to the end figures given in the last table.

Thus it will be seen from these figures that while the Dominion Government has been in the railway business the country has lost approximately $850,000,000 of visible and invisible losses in addition to whatever deterioration in value there may have been on the $500,000,000 of new extension and betterment in the same period.

B. C. Power Earnings Still Under 1932 Level

From Our Own Correspondent

MONTREAL. — British Columbia Power Corp. reports net earnings during March last of $344,203 as compared with $378,405 for the same month last year. Gross for March, 1933, at $1,047,149 showed a decrease of $133,165 as against the same month last year, while operating expenses at $702,946 were cut by $98,963.

For the nine months' period ended with March, 1933, British Columbia Power reports net earnings of $4,329,186 against $4,815,484 for the corresponding period of the previous year, a decrease of $486,298. For the nine months' period gross showed a decrease of $1,052,435 at $9,782,187, while operating expenses were cut by $566,137 to $5,452,951.

The interim monthly report on earnings for this year indicates that B. C. Power Corp. is not covering in full the $2 dividend on its Class "A" stock. Preliminary estimates would indicate that net income available for distribution on the capital stock is somewhat in excess of $1 a share so that a change in the dividend rate would not be unexpected.

Canadian Airways Planes Active in Gulf District

From Our Own Correspondent

MONTREAL.—Planes of Canadian Airways covered approximately 26,668 miles carrying mail during the winter months in the Gulf of the St. Lawrence. Between Quebec and Seven Islands 34 round trips were completed; eastbound mail totalled 26,304 pounds and westbound 4,265 pounds. First flight of the season was made December 15 and the service closed April 11.

In addition, fortnightly trips were made to Anticosti Island, a total of 4,388 pounds of mail being flown into that spot. Canadian Airways' planes also completed eight round trips from Charlottetown and Grindstone Island in the Magdalen group carrying 6,329 pounds of mail on outward flights. No mechanical trouble was experienced during the season, it is officially stated.

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C. S. L. TO FOLLOW POLICY CUT DEBT

Coverdale Outlines Position at Annual Meeting of Shareholders

From Our Own Correspondent

MONTREAL. — Reduction of bank loans will be the policy followed by Canada Steamship Lines during 1933, according to a statement by W. H. Coverdale, president, at the annual meeting of the shareholders. The annual report and financial statements were adopted by the meeting, while the board of directors was re-elected without change. At a subsequent meeting of directors the officers of the company were re-appointed.

Immediately following the annual meeting, a special general meeting of shareholders was called to pass upon a new by-law authorizing the parent company to guarantee current obligations, both existing and to be incurred, of its subsidiaries, including: Century Coal Co., Davie Shipbuilding and Repair Co., Midland Shipbuilding Co., and Kingston Elevator Co.

Century Has Loan

In this connection Mr. Coverdale told the meeting that none of the subsidiary companies had any current obligations with the exception of the Century Coal Co. which owed the banks some $200,000 amply secured under Section 88 of the Bank Act. The by-law, he explained, was submitted at the request of the banks to constitute guarantee of what had actually been carried on in practice for a number of years.

STEEL OF CANADA SALES OFF TO DATE

President McMaster is More Hopeful of Business Outlook

From Our Own Correspondent

MONTREAL.—Sales of Steel Co. of Canada during the current year to date have continued to decline according to a statement made by Ross H. McMaster, president of the company, at the annual general meeting. He added, however, that international developments now proceeding and in prospect offered better grounds for hopefulness.

Results of the Imperial Conference, it was stated, combined with the depreciated value of the pound sterling, had diverted the very large proportion of importations of iron and steel in many lines in favor of Great Britain and the competitive effects in sheets particularly had, under the very limited preferential duties existing, rendered the participation of the company in this business quite profitless.

Change in Accounting

In the future, bond sinking fund and depreciation reserves would be combined in one account under depreciation, it was announced. It has been the custom to deduct provision for bond sinking fund from profits each year but it was explained this charge in effect represented additional depreciation so the new policy was adopted.

Bonded debt has been reduced to less than $4,000,000 compared with a debt of $10,000,000 in 1913. Satisfactory working capital position was referred to.

Officers were re-elected without charge.

Moirs Ltd. Announce Slate of New Officers

From Our Own Correspondent

MONTREAL.—Following upon the reorganization of Moirs Ltd., Maritime manufacturers of confectionery, etc., the following slate of officers was elected: President, Frank L. Lewis, managing director of the Eastern Hat and Cap Co., Truro; vice-president, J. C. MacKeen, Royal Securities Corp., Halifax; directors, W. B. Proctor, C. J. Burchell, K.C., and Daniel E. North, of Hantsport.

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Jamaica Service Adds to Customers Served

From Our Own Correspondent

MONTREAL.—New records in number of customers served and in kw.h. output and a new low figure for number of tramway passengers carried feature operating data of Jamaica Public Service for 1932. Figures issued cover the period 1924-1932.

Last year number of electric customers served increased by 572 to 8,423 which compares with 3,958 reported in 1924. Power generated in 1932 totalled 8,873,523 kw.h., an increase of nearly 800,000 kw.h. over the previous year and nearly double the 1924 figure. Number of passengers carried, however, declined by 882,000 to 6,887,533 last year; this compares with 9,134,263 in 1924.

Railway Earnings

Canadian National Railways

Week end. Apr. 14:	1933 $	1932 $	Decrease $
Gross rev.	2,502,210	3,194,452	692,242

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Montreal Tramways Passengers

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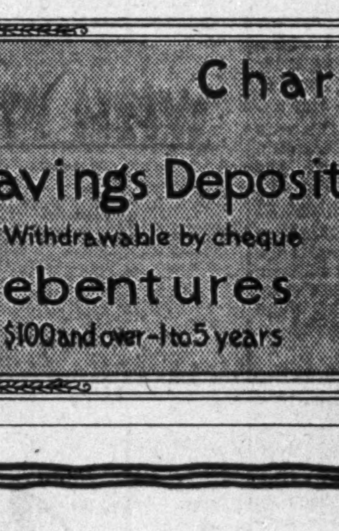
MORTGAGE CORPORATION



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DOMINION PROTECTIVE SYSTEMS

News of Investment Markets

U.S. DOLLAR MAY REGAIN HIGH LEVEL

Permanent Rise Internal Prices Needed to Keep It Down

NO INFLATION YET

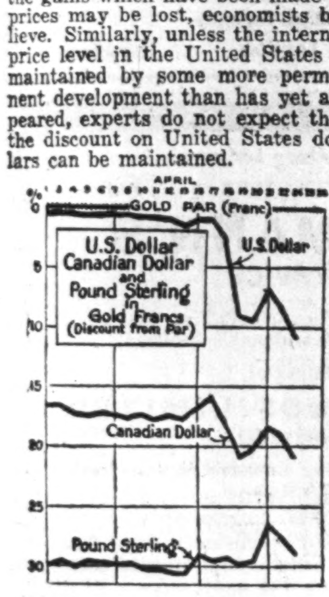
Early Rise in Prices Largely Psychological; Inflation Would Sustain It; Danger in Revaluation

A marked tendency to weakness in the United States dollar, following official announcement of United States abandonment of the gold standard, is not expected to continue over a long period, in the opinion of exchange authorities. The fact that the whole world owes money to the United States, and must buy United States currency to pay it, indicates to them that strength is likely to be shown by the U. S. dollar in time.

The official announcement of abandonment on April 19 was little more than an admission of the condition which had prevailed since March 4, when the United States bank holiday began. Since that time there has been only a nominal gold standard in the United States. The effects of the announcement have been to send United States dollars tumbling and commodity prices soaring, largely due to speculative operations and a change in the psychological attitude of the public.

No Inflation Yet

No actual inflation of currency or credit in the United States has appeared yet. Unless it does, some of the gains which have been made in prices may be lost, economists believe. Similarly, unless the internal price level in the United States is maintained by some more permanent development than has yet appeared, experts do not expect that the discount on United States dollars can be maintained.



Measuring the maze of transactions in terms of gold, United States dollars and Canadian dollars, several pictures emerge. These indicate the following tendencies:

(1) Sterling tending to strength in terms of gold francs.

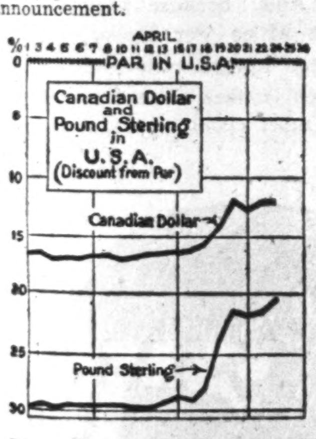
(2) United States and Canadian dollars tending to weakness in terms of gold francs.

(3) Sterling and Canadian dollars strengthening in the United States.

(4) Sterling showing strength and United States dollars weakening in Canada.

Equalization Fund Hit

Two main tendencies can be noted: Strength of sterling and weakness of United States dollars. One of the results of this is that the sterling equalization fund of Great Britain has been "caught short" of sterling. It is estimated to have purchased at least $400,000,000 in United States currency in its attempts to hold sterling down, prior to the United States announcement.



The position of the Canadian dollar in the exchange turmoil is still that of a rudderless vessel swinging between two great currents. There appears to be no immediate possibility of this position changing, in the opinion of close observers of international economics and finance.

While the whole currency situation of the world is more greatly disturbed at present than at any time in modern banking history, it is certain that some steps will be taken to remedy the situation before long. Perhaps the first move will be to get the United States back on a gold standard at some level. Adjustments of other non-gold currencies such as Canadian dollars and the pound sterling will probably be made later and with caution.

Hudson's Bay Net Loss Cut Materially in 1932

Liquid Strength Maintained and Plans Pushed Further for Decentralization With Local Responsibility—Land Sales Increase But Repossessions Grow

Canada's oldest trading, real estate, transportation and store company, Hudson's Bay Co., which was incorporated on May 2, 1670, revealed at the annual general court of proprietors in London, England, on April 28, a substantial improvement in the results for the year ended Jan. 31, 1933, as compared with those of the preceding year. There was still a loss reported but satisfaction was expressed that in the face of conditions much more serious than in 1931 the loss was considerably reduced and the company's working capital position adequately maintained.

INCOME AND SURPLUS ACCOUNT
Periods Ended Jan. 31

	1933 £	1932 £
Income:		
Trading loss	52,205	465,905
Land dept.	32,156	23,379
Transfer fees	291	209
	*19,758	*442,317
Less expenses	205,566	204,288
Net loss	225,324	646,605
Trans. from share prem. acct.	331,622	778,303
Spec. prov. agst. int. in subs. & affil. cos.	....	69,325
Loss on sale, etc. of bldgs.	106,298	62,373
Balance forward	....	....

*Loss.

Selling Unwanted Buildings

The governor, in his report to proprietors, stated that the trading loss of £225,325 shown above was after allocating £119,382 to building depreciation account and making appropriate provision for losses on investments and on values of stock. The provision of £106,298 against losses on sales and disposals of properties was made because various properties of the company through the years had become ineffective for their original purposes, and it was thought advisable to sell these even at a book loss where it was felt that accumulating charges for upkeep and taxes were absorbing the value. The provision made covered losses of this kind in 1932 as well as losses to come.

Both current assets and liabilities were higher as shown by the following table:

Working Capital
As at Jan. 31

	1933 £	1932 £
Current assets	3,346,080	3,164,825
Current liabilities	1,366,529	1,098,244
Working capital	1,979,551	2,066,581
Ratio	2.44—1	2.88—1

Cash is Higher

Inventories fell during the year from £1,920,014 to £1,317,826 but every other current asset was higher: cash up from £294,339 to £368,006; accounts receivable up from £733,532 to £845,184; and British Government securities at market value and loans to British corporations up from £216,940 to £815,064. There were as well advances of £211,763 to the fur trade department since May 31, 1932, on account of next season's trade. Accounts of the fur trade brought into the report are to May 31, 1932.

The total amount shown above as "current liabilities" appears in the balance sheet under the following item, "creditors, accrued charges, underwriting surplus, provision for contingencies and for estimated loss on disposal of properties."

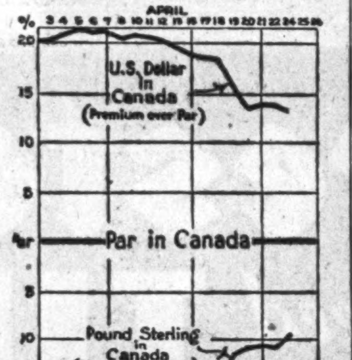
Fixed assets are shown at £6,672,943 against which depreciation shown is £1,161,930. Specific reserve accounts total £450,000.

Could Have Shown Surplus

The assets and liabilities are shown in pounds and were transferred from dollars into pounds at the rate of $4.86. If transferred at the rate ruling on January 31, 1933, that is, at $4, there would have been a substantial unrealized surplus. There are unstated contingent liabilities with respect to uncalled capital and with respect to a guarantee of bank overdraft of a subsidiary company.

The company follows again the innovation of last year in illustrating its general remarks about Canadian conditions with illuminating charts which show over a period of years the fluctuations in wheat prices, in value and number of pelts taken, in railroad earnings in Canada, in exchange, in taxes, and in farm land sales. The English proprietors thereby get an excellent view of the background against which the company's operations have been carried on.

Our Dollar Sandwiched



Sterling and United States dollars converged on par in Canada up to April 24. This chart is indicative of the sandwiched position of the Canadian dollar.

Loblaw Sales, Profit Show Improvement

Sales of Loblaw Groceterias Ltd. in the four weeks ended April 1 are reported at $1,075,466 as compared with $1,195,118 in the corresponding period of 1932. Profit was $62,932 as against $72,224 in the 1932 period. In the last four weeks' period of record both sales and profit were higher than in the period immediately preceding.

In the 44 weeks ended April 1, sales totalled $11,902,609 as against $12,845,640 in the corresponding period of the preceding year while profit was down to $723,436 from $833,394. The fiscal year of the company ends on May 31.

Railway Earnings

Week End. Apr. 21:	1933 $	1932 $	Decrease $
C. P. R.	1,834,000	2,063,000	229,000
C. N. R.	2,524,778	3,093,669	568,891

INTER. PAPER CO. 1932 SALES OFF BY $17,000,000

Surplus Account Reduced $9,591,000 After All Charges

From Our Own Correspondent

MONTREAL. — Due to further severe declines in both sales volume and prices of pulp and paper products, consolidated gross sales of International Paper Co. and subsidiaries dropped from $90,004,461 in 1931 to $73,497,063 in 1932.

In his report to the shareholders Archibald R. Graustein, president, states that the substantial part of the decline in gross revenue was offset by increased operating efficiency and other cost reductions. But after all charges, including year-end adjustments, operations for the year resulted in a reduction of surplus totalling $9,591,253. Particulars of the income account for 1932 and 1931 follow:

	1932 $	1931 $
Gross sales	73,497,063	90,004,460
Less: Expenses	72,881,762	83,661,177
Add: Profit bonds redeemed	642,985	227,807
Net revenue	1,258,286	6,571,090
Less: Int. on debt	6,186,953	4,055,732
Depreciation	3,499,545	3,128,400
Depletion	659,135	......
Amort. disc.	446,407	407,782
Res. inc. tax	45,000	100,000
Divd. sub. pfd.	12,500	12,500
Balance	*9,591,253	*1,133,324
Less: Divd. on pfd.	......	1,709,268
Net loss	9,591,253	2,842,592
Brought forward	12,772,411	15,615,003
Carried forward	3,181,158	12,772,411

*Loss.

Funded Debt Down

International Paper's consolidated balance sheet at the end of 1932 showed assets of $328,045,161 as against $366,956,566 at the end of 1931. Funded debt showed a reduction from $81,484,856 to $76,207,725. Of the $5,277,130 reduction in debt, $3,000,000 represents cancellation of mortgage notes of two subsidiaries by transfer of their waterpower properties to subsidiary of International Hydro-Electric System.

Notes payable were reduced from $20,710,625 to $18,348,165, while amount due to affiliated companies was cut from $6,695,486 to $5,235,952.

Capital Assets Lower

Capital assets of the company show the reduction in value from $301,986,441 to $296,467,557. The principal change in this category was a decline of approximately $4,200,00 in plant and properties.

Opposition Is Voiced To Keefer Realty Plan

Opposition to the proposed plan of reorganization of Keefer Realty Corp. to be voted on by bondholders at a meeting to be held in Montreal on May 1 has been voiced by W. F. Wilson, of W. F. Wilson & Co., Toronto. Mr. Wilson, who was prominent in getting amendments to the reorganization plan of the Cawthra Apartments Ltd. in 1932, states the objections to the Keefer Realty Corp. reorganization as follows:

There is no definite statement that cumulative income coupons will bear interest at the rate of 6½ per cent per annum.

Cancelling of the sinking fund payments depreciates the value of the bondholders' security.

Bondholders are requested to forego the prompt payment of interest on the due dates for a period of five years without any compensation.

All concessions are asked from the bondholders while no concessions are given by the junior security holders who are the sponsors of the reorganization plan.

No limit is set to cover the remuneration of the officers and directors of Keefer Realty Corp.

No provision is made to prevent surplus funds of Keefer Realty Corp. to be used for the purchase of bonds which would deprive the bondholders from receiving interest payments for the next five years, and if that were done, the price of the bonds would be at such low levels a large number of the bonds could be retired. This would work to the ultimate advantage of the junior security holders, and to the detriment of the first mortgage bondholders during that period through lack of interest payments and the low prices obtainable by unfortunate bondholders forced to realize cash.

Under the plan of reorganization of Keefer Realty Corp. the holders of the 6½ per cent first mortgage bonds are asked to agree to the placing of the bonds on a cumulative income basis up to Dec. 1 1936, to waive all past defaults, and future defaults of sinking fund payments. Of a board of five directors, bondholders are to elect three.

BOND MARKET REMAINS SLOW, VOLUME SMALL

Inflation Talk Does Not Affect Canadian High Grades

The Canadian bond market has shown no distinct change either as a result of the trend toward inflation in the United States or as a result of the announced reduction of ½ per cent in the rate of interest to be paid on deposits by Canadian banks. Prices have remained within a comparatively narrow range and volume of trading is small. Opinions of dealers differ as to the effect inflation in the United States will have on Canadian bond prices and there is no inclination to take on any commitments until the situation is clarified.

Public offering of $7,000,000 City of Montreal 5's, due March 1, 1945, was successfully made on April 21 at 97.75 at which price the bonds yield 5¼ per cent. With nine banks and 41 investment houses in the selling group the issue was taken up in a short time. Hamilton is in the market with an issue of $3,500,000 of installment debentures offered to yield 5 to 5⅛ per cent depending on maturity and coupon rate. Only about 40 per cent of this issue is actually underwritten, the balance being handled on an option basis. Tax collections in Hamilton in 1932 were better than in either Montreal or Toronto. Gradually, it would appear, Canadian municipalities and provinces with the best financial rating may come into the market.

May Close Spread in Prices

Bond dealers feel that there need be no rush on the part of Canadian investors to liquidate their holdings of high-grade securities merely because of inflation talk or plans in the United States. While the prices of high-grade United States issues may decline, it is believed in some quarters that Canadian high-grades traded in New York will not be affected to the same extent and that inflation will serve to close the spread between U. S. and Canadian issues. It is felt that U. S. funds are over-valued in the Canadian market and as the United States dollar approaches par in terms of Canadian funds this will serve to strengthen Canadian bond prices.

C. H. Burgess Heads Mimico Supervisors

Charles H. Burgess of the Toronto investment banking firm of C. H. Burgess & Co., has been appointed chairman of the board of supervisors which will administer the defaulting town of Mimico under the Ontario Municipal Act. Other members of the board will be A. E. K. Bunnell, finance commissioner of the town; John H. Doughty, a former mayor of the town; Eric C. Horwood, architect, of Mimico, and A. F. D. Lace, Confederation Life Association.

Mr. Bunnell and Joseph E. Howes, assistant director of the Citizens' Research Bureau, have been appointed to the board of supervisors of the township of Scarboro.

Bond Sales

HAMILTON, ONT.

A syndicate composed of Dominion Securities Corp., Wood, Gundy & Co., A. E. Ames & Co., Royal Bank and Bank of Nova Scotia has purchased $1,481,000 of installment debentures of the city of Hamilton, Ont., on a 5.25 per cent cost basis with an option on the remaining part of the issue which totals $3,529,893. The public offering will be made at prices to yield from 5% to 5⅛%. The debentures carry a coupon rate of 5% or 5½% and mature in 10, 20 or 30 installments.

Metal Prices

New York—April 25—
Copper: Electrolytic spot, 6⅛ to 6¼c. lb.
London—April 25—
(Long Ton)
Copper: Electrolytic spot, £34 16s; future, £35.
Standard spot, £30 10s; future, £30 12s 6d.
Tin: Spot, £163; future, £163 12s 6d.
Lead: Spot, £11; future, £11 5s.
Zinc: Spot, £15 7s 6d; future, £15 7s 6d.
Silver: 20 7-16d. per ounce.

Public Utility Earnings

Canada Northern Power Corp.

March	1933 $	1932 $
Gross revenue	293,569	283,929
Oper. expense	91,816	89,860
Net revenue	201,753	194,069
Three Months:		
Gross revenue	897,652	866,348
Oper. expense	271,966	269,901
Net revenue	625,686	596,447

Bond Tenders

May 1, 10 a.m., Township of Springer—$15,000, 7 per cent serial debentures, dated Apr. 1, fully approved by the Ontario Municipal Board. H. W. Sylvestre, township clerk, Sturgeon Falls. (See announcement on page 5).

8 p.m., May 5, Kincardine—$9,477, 5½ per cent 10-year debentures. W. Butler, clerk. (See announcement on page 5).

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. West. Nat. Gas	5%	1956	June 15	103
French Nat. Mail S. S.	†6%	1952	May 1	...
Wabasso Cot.	*6%	1947	June 1	105

*$10,000 for sinking fund purposes.

MT. ROYAL HOTEL PROFITS CONTINUE ON LOWER SCALE

Expense Reductions Fail to Offset Decline in Revenue

From Our Own Correspondent

MONTREAL.—Earnings of Mount Royal Hotel Co., operating the largest hotel in Montreal, continue on a lower basis this year. Room sales are still far below capacity and despite wide reductions in expenses, profits are restricted. Operating expenditure has been slashed repeatedly in recent years and further cuts have been made this year in keeping with budgetary plans, but uncontrollable expenses on the big 1,000-room hotel are proving a heavy burden.

Interest charges on the first mortgage loan amounted to $195,981 last year compared with net earnings of $151,489. Sinking fund of $120,000 annually was met regularly up to December, 1932, but the installment due in that month was deferred by arrangement with the mortgagee. Total of the 5½ per cent loan outstanding at the end of last year was $3,560,000.

B. C. PACKERS REDUCES LOSS BANK LOAN UP

Inventories Stated to Be at Normal Level at $991,000

British Columbia Packers Ltd. experienced a loss of $287,219 in the year ended Feb. 28, 1933, as compared with a loss of $900,181 in the previous year. While the consolidated profit and loss account for the two years is not issued in a form that makes possible a comparison, write-off of inventories which amounted to $379,018 in 1931-32 was not necessary in the last fiscal year. Sales in 1932-33 are reported at $2,215,871 while operating, selling, general and administration expenses, interest on bank loans and bills payable, amounted to $2,134,849 and depreciation provision was $345,596.

The salmon pack in 1932 was 359,153 cases as against 105,546 cases in 1931 and 1,059,408 cases in 1930. The inventory carryover shown in the balance sheet at $991,064 is now normal and markets during the past year have been well maintained although market prices for lower grades are stated to be exceedingly unsatisfactory. Inventory at Feb. 28, 1932, was $771,713 and in 1931, $3,617,207.

Bank Loan Up

Current liabilities continue to exceed current assets although current assets are up due to increase in inventories. Accounts receivable are down to $119,862 from $164,295 while cash is shown at $4,677. Bank loans are up to $590,000 from $464,000; bills payable are slightly lower at $822,755 and sundry creditors are down to $82,981 from $128,701. Working capital position is as follows:

WORKING CAPITAL AT FEB. 28

	1933 $	1932 $
Current assets	1,214,736	1,032,464
Current liabilities	1,495,736	1,425,269
Working capital	*281,000	*392,805

*Excess of current liabilities over current assets.

Fixed assets are carried at $8,979,193, subject to depreciation reserve of $2,566,859. Investment in and advances to allied company remain at $28,653. There is outstanding $334,000 of 6 per cent bonds of Wallace Fisheries Ltd., a reduction of $39,000 in the year. Interest of minority shareholders in capital stocks of subsidiary companies is down to $15,258 from $26,436. Reserve for contingencies is shown at $87,320. Capital stock outstanding consists of 39,405 shares of 7 per cent preferred and 277,557 shares of common. The loss in the past year increases the deficit of the company to $1,946,979.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Orillia	Apr.	Locally					
Sydney, N.S.	Apr.	Privately	6%	30-ins.	$2,261	....	....
Montreal	Apr.	Dominion Securities and Syndicate	6%	20-yr.	90,000	....	....
*Offering price.			5%	1945	7,000,000	*97¾	5.25%
Hamilton	Apr. 25	Dominion Securities Corp., Wood, Gundy & Co., A. E. Ames & Co., Royal Bank, Bank of Nova Scotia	5 & 5½%	10 ins. 20 ins. 30 ins.	3,529,893	....	5 to 5.12½%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered By	Rate	Due	Amount	Price Offered	Yield
Greene-Stabell	Apr.	H. R. Bain & Co., Johnston & Ward, Doherty, Roadhouse & Co., Stewart, McNair & Co.	....	....	750,000 shs.	55c.	....

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
International Paper & Power	Dec. 31	*8,757,728	*618,239	...	...	...	3,204,158	11,961,886	1½	...	...
Can. Hydro-Electric	Dec. 31	2,728,056	2,805,546	0.48	0.056	...	8,980,799	7,702,748	...	...	...
Gatineau Power	Dec. 31	2,482,713	1,811,977	1.87	0.62	...	2,023,974	1,091,261	...	...	...
Honey Dew	Dec. 31	*13,504	147,784	...	0.89	...	182,792	199,914	½	...	...
Hudson's Bay	Jan. 31, '33	*£225,324	*£646,605	...	...	...	....	....	...	...	...
Ontario Silknit	Dec. 31	15,126	43,934	...	...	...	58,934	58,647	...	...	...
Inter City Baking	Feb. 28, '33	24,394	144,510	1.15	6.70	...	105,260	126,213	...	...	...
Lindsay, C. W.	Jan. 31, '33	*172,618	*7,529	...	...	...	300,328	348,271	1½	...	...
International Holding	Dec. 31	*35,309	597,456	...	...	...	1,545,487	896,199	...	...	...
McColl-Frontenac	Jan. 31, '33	1,281,761	1,881,851	1.53	1.81	0.60	2,504,853	2,039,143	10	6.5	6
Mining Corporation	Dec. 31	3,507	847,000	0.002	0.209	...	350,507	347,000	1.55	...	...
Inter. Hydro-Electric	Dec. 31	2,827,799	3,217,867	2.72	3.17	...	21,042,600	19,120,236	...	...	...
Treadwell-Yukon	Dec. 31	*333,100	*129,492	...	...	...	†4,337,708	†2,776,714	1.36	...	...
Crown-Dominion Oil	Dec. 31	12,240	10,657	0.16	0.14	...	....	....	2½	...	...

*Loss. †Deficit.

Montreal Tramways Company

TWENTY - SECOND ANNUAL REPORT

For the year ended December 31st, 1932

REPORT OF THE PRESIDENT AND DIRECTORS

For the Year Ended December 31st, 1932

To the Shareholders:—

Your Directors beg to submit their Annual Report for the year 1932 of the operations of the Company under the provisions of the Contract with the City of Montreal, and of the distribution of the Earnings.

Operations under the Contract show the following results for the year:

Revenue:			
Car Earnings		$11,444,310.47	
Autobus Earnings		1,488,834.13	
*Miscellaneous Earnings		316,904.68	
Recovered from Maintenance and Renewals Res.	$503,245.34		
" " Autobus Depreciation Reserve	139,433.19		
" " Contingent Reserve	94,391.66		
		737,070.19	
Gross Revenue			$13,987,119.47
Expenses:			
Operation and Taxes		$ 6,899,895.99	
Maintenance and Renewals Allowance	$1,678,724.90		
Expended		1,435,865.31	
To Maintenance and Renewals Reserve		242,859.59	
Autobus		1,371,762.98	
Operating Profit (to the Company)		68,353.35	
Total Operation Expenses			$10,018,737.22
Net Earnings			$ 3,968,382.25
Distribution of Net Earnings:			
To the Company:			
For Return upon Capital Value, 6% on $36,286,295.00		$ 2,177,177.70	
Return upon additional Capital Expenditures ($16,739,043.98) since basic appraisal under the contract		993,878.55	
Interest on Working Capital		2,958.64	
Interest on Autobus Investment		112,935.89	
		$ 3,286,950.78	
Expense of financing (½ of 1%) of the sum of $36,286,295.00 is allowed annually to the Company to cover the expense of procuring additional capital. This amount is carried direct to "Reserve for Financing"		181,431.47	
To the City of Montreal Annual Rental		500,000.00	
			$ 3,968,382.25

*Includes $43,939.67 transferred from Unredeemed Ticket Account.

REVENUE AND EXPENDITURES OF THE COMPANY

For the Year Ended December 31st, 1932

Revenue:		
Allowances under Contract:		
As per above	$ 3,286,950.78	
Operating Profit	68,353.35	
		$ 3,355,304.13
Other Revenue (Outside of Contract)		$ 104,640.95
Total Revenue		$ 3,459,945.08
Expenditures:		
Interest on Bonds and Loans	$ 2,436,575.41	
Exchange on United States Funds	331,368.48	
Other Expenses	5,957.27	
Total Expenses		$ 2,773,901.16
Net Income		$ 686,043.92
Less Dividends Paid		682,500.00
Surplus for the year		$ 3,543.92
Add surplus at December 31st, 1931		2,630,728.05
Total Surplus		$ 2,634,271.97

Financial

There is set out above the Revenue and Expense under the Contract. Revenue Account has been credited by recoveries from three sources. The first is from the Maintenance and Renewals Fund. Under the Contract between the City of Montreal and the Company, the Commission sets annually a sum per car-mile chargeable in the Operating Expense to cover the cost of Maintenance and Renewals. As shown under Expense Items, this amount for 1932 was $1,678,724.90. At the close of the year, $503,245.34 was transferred from this Account into the General Revenue under the Contract.

There is also a sum recovered from the Autobus Depreciation Reserve of $139,433.19. When the Company first established Autobus Service in 1925, the interest on the Depreciation Reserve was credited to this Fund. The Company now finds that the life of its autobuses is longer than it at first anticipated and therefore, with the approval of the Commission, it has written back into Revenue Account the amount of interest accrued in the Depreciation Reserve.

There has been credited to Revenue from the Contingent Reserve Account the sum of $94,391.66 available from this Fund.

As set out above, the net income available to the Company for the year, after paying bond interest and exchange, is $686,043.92. From this amount $682,500.00 was paid in Dividends, at the rate of ten per cent. per annum for the first three quarters and at nine per cent. per annum for the last quarter of the year. A surplus remains of $3,543.92 to be added to the Total Surplus of the Company.

Owing to the decrease in revenue, there is no Divisible Surplus accruing to the Company this year from the operations under the Contract.

Inasmuch as the interest on the Company's Bonds is payable in New York funds, $331,368.48 was paid out during the year for the cost of United States Exchange comparable with $196,693.06 for 1931. It will be noted that the Reserve for Financing has been increased by $181,431.47, as the Company did not incur any financing expense in 1932.

The Maintenance and Renewals Fund stands at $500,000.00, on account of the transfer previously referred to, and the Contingent Reserve Fund has been reduced as before mentioned. The Tolls Reduction Fund has been increased during the year by the interest accruing to this Account.

During the year, the Company expended $339,550.92 on betterments and additions to its plant. Of this amount, there was provided $246,815.98 from the Maintenance and Renewals Fund, being the value of the property discarded; so that the net addition to Capital Value during the year is $92,734.94.

The number of Revenue Passengers and Mileage for 1932 is as under noted:—

	Tramways	Autobus	Total
Revenue Passengers, 1932	189,364,556	21,442,573	210,807,129
Revenue Passengers, 1931	211,458,523	20,682,580	232,141,103
	*22,093,967	**759,993	*21,333,974
	*10.45%	**3.67%	*9.19%
Mileage, 1932	26,449,278	5,969,280	32,418,558
Mileage, 1931	27,759,325	5,565,794	33,325,119
	*1,310,047	**403,486	*906,561
	*4.72%	**7.25%	*2.72%

*Decrease, **Increase.

It will be seen that the number of Revenue Passengers for 1932 is 9.19% less than for 1931. The Company has continued to effect economies by the closest scrutiny of all purchases; by the introduction of a 5 day week at the Youville Shops and in the Construction and Maintenance Departments; and by the strictest supervision of all expenditures. As a result, the Operating Expenses of the Company are 7.36% less than for 1931.

Track Work

While general construction during 1932 was strictly limited to essential requirements, a number of important projects were undertaken, principally in conjunction with work performed by municipal authorities.

During the year, a double track extension was completed on St. Lawrence Boulevard, between Jean Talon and Kelly Streets; this construction added approximately 4.5 miles of track to the Company's system, including an interchange crossover at Jean Talon Street; connection to the Youville Shops and new special trackwork at Kelly Street.

About one half mile of new track was laid on Lasalle Boulevard, to provide for an extension of car service from western limits of the City of Verdun to 4th Avenue, Town of LaSalle.

At the request of the City of Montreal, extensive alterations were made in the track system in connection with the City's programme of subway construction; these undertakings involved almost complete reconstruction of tracks at the St. Denis, Iberville, Papineau and Gosford Street subways, while the work at DeSalaberry Street subway necessitated renewal of the Company's wye on Poincare Street.

When Decarie Boulevard was extended to the North, through the new subway under the Canadian Pacific Railway tracks, the City of Montreal acquired the Company's right-of-way on Decarie Boulevard, between DeSorel and Cote de Liesse Road. Existing double track between these limits was therefore, reconstructed to meet paving requirements.

Conforming with the City of Montreal's paving programme, major track reconstruction was undertaken on Delorimier Avenue, from St. Catherine Street to Rachel Street. Similar work was performed on Bellingham Avenue, between Maplewood and Cote St. Catherine Road.

As a result of the above work, 5 miles of single track were added to the system and 4.40 miles were reconstructed, so that the Company now operates 318.7 miles of single track.

Autobus Service

No new autobus equipment has been purchased during the year, but the Company has brought about improvements in operation and maintenance.

General

During the year the Company paid:—

To the City of Montreal:—		
Snow Removal	$264,816.45	
Annual Rental	500,000.00	
Taxes	456,785.90	$1,221,602.35
To the Cities of Westmount and Outremount and to other Municipalities:—		
Snow Removal	36,623.58	
Taxes	14,809.10	51,432.68
To the Federal Government:—		
Income Tax		128,537.58
To the Provincial Government:—		
Taxes, including gasoline		101,853.79
Total		$1,503,426.40

The total amount paid represents 11.64% of the total Passenger Receipts.
Submitted on behalf of the Board of Directors.

JULIAN C. SMITH,
President.

GENERAL BALANCE SHEET

For Year Ended December 31st, 1932

ASSETS

Fixed Assets:—			
Property and Equipment as on December 31st, 1917		$41,413,465.75	
Subsequent Additions January 1st, 1918 to December 31st, 1932		18,494,725.20	
Total Fixed Assets			$59,908,190.95
Investments (including Securities of Subsidiary and Associated Companies)			1,227,645.71
Current Assets:—			
Cash in Bank and on hand		$ 469,429.97	
Call Loans		916,500.00	
Sinking Fund (Cash)		391.73	
Company's General and Refunding Bonds at cost (acquired for purposes of Sinking Fund)		92,731.74	
Prepaid Charges		71,231.15	
Accounts Receivable		76,319.31	
Stores		439,944.28	
Investments at cost:—			
For account of Guarantee Fund		500,000.00	
For account of Maintenance and Renewals and Other Funds		1,866,851.50	
Total Current Assets			$ 4,433,400.18
			$65,569,236.84

LIABILITIES

Capital Liabilities:—			
Capital Stock "Common" (70,000 shares of $100.00 par value)			$ 7,000,000.00
First and Refunding Mortgage 5% Gold Bonds, due 1941:			
Authorized	$25,000,000.00		
Issued and Outstanding		$21,351,000.00	
General and Refunding Mortgage Sinking Fund Gold Bonds, due 1955:			
(Authorized $100,000,000.00)			
Series "A", 5%	$17,826,500.00		
Series "B", 5%	2,600,000.00		
Series "C", 4½%	2,500,000.00		
Series "D", 5%	5,000,000.00		
	$27,926,500.00		
Less: Bonds redeemed by Sinking Fund	395,000.00		
		27,531,500.00	
			$48,882,500.00
Total Capital Liabilities			$55,882,500.00
Current Liabilities:—			
Accounts and Wages Payable		$ 494,941.77	
Accrued Interest (Payable in U.S. Funds)		341,471.61	
Employees' Security Deposits		29,081.44	
Unclaimed Dividends		1,956.57	
Suspense Account		248,119.06	
Dividend payable January 15th, 1933		157,500.00	
City Rental, quarter ended December 31st, 1932		125,000.00	
Total Current Liabilities			$ 1,398,070.45
Reserves:—			
Reserve Account		$ 2,250,000.00	
Reserve for Financing		579,010.21	
Reserve for Unused Tickets		500,000.00	
Maintenance and Renewals Reserve		500,000.00	
Depreciation Reserve, Autobus		920,887.97	
Contingent Reserve Account		405,608.34	
Tolls Reduction Fund Reserve		498,887.90	
Total Reserves			$ 5,654,394.42
Surplus:—			
As at December 31st, 1931	$ 2,630,728.05		
For the year ended December 31st, 1932	3,543.92		
			$ 2,634,271.97
			$65,569,236.84

Verified in accordance with our Report of this date.

SHARP MILNE & CO., C.A.,
Auditors.

Montreal, March 2nd, 1933.

Approved on behalf of the Directors:

WM. C. FINLEY,
J. P. B. CASGRAIN } Directors.

Certified Correct:—
J. A. WILSON,
Chief Accountant.

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Member Audit Bureau of Circulations

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Vice-President—HORACE T. HUNTER
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TORONTO, APRIL 29, 1933

PRICES MOVE UP

WHEN Britain went off gold she speeded the day of ultimate world recovery. After the first shock had been absorbed, the secondary effects were excellent over a wide area. In numerous countries a rise occurred in the internal price level and this rise in prices checked deflationary processes in some measure and permitted some of the more slowly moving factors in economic adjustment to catch up with the fast moving ones. For instance, the problem of how to pay debts with greatly diminished incomes, and the problem of rigid wage costs were eased somewhat. Continued deflation in the countries that remained on gold prevented the effect of Britain's action from being fully favorable to the world at large.

Now that the United States has belatedly followed Britain there is no reason to believe that the ultimate results will not be equally favorable. In short, the United States has merely supplemented the British move with another move that affects a further large sector of the economic world. Momentarily at least the world deflation will be halted, will give way to favorable reconstructive developments.

World prices have risen, which will help to restore some of the lost equilibrium in debtor-creditor relationships.

But the American action by itself will not end the world crisis. Should other countries, that have been enjoying some competitive currency advantage in export trade as a result of stubborn American adherence to gold, decide to retain their present margin of advantage the world would see a currency war that might give us a merry spectacle of financial fireworks for a while, but that would lead to a complete collapse of the price structure later unless competition were controlled and designed merely as part of a general price-lifting scheme. First comments appearing in the British financial press indicate a desire of the sterling group of countries not to lose their competitive currency advantage, but this advantage should not be the prime end of British policy.

Secondly, the effect of a reversal of the price trend will be completely lost if the startling American move is not followed by constructive pathology in other directions—tariffs, primarily.

That is the great significance of the current Washington conversations. They should provide the necsary follow through on Roosevelt's internal programme and the American inflation programme.

DEBTORS AND CREDITORS

IT IS generally supposed that since the debtor class is suffering such unjust pressure at the present time there must be some wealthy bondholding and mortgage holding people who are waxing fat upon their grief and their distress.

Letters to the editor, appearing in western papers and signed with the names of hard pressed farmers, demand that the banks and the lending institutions share their burdens. Constantly the demand is made that debts should be written down in accordance with the decline in prices and the man who is not paying anything on account of the principal interest of his debt is just as apt to join the general chorus for a debt reduction as the man who is struggling to keep up his payments.

It may be taken for granted that only a just proportion of the present debts of the world will ever be paid. An enormous deflation of debt is taking place right now in all categories of business and private life.

The thing that is overlooked by most commentators on the situation is the fact that the creditor class is not made up of very wealthy and very selfish people. The vast part of the resources of the country is divided up among the people at large. The true owners of most of our banking are the millions of small depositors and it is their money that is at stake in the great tug of war between debtors and creditors. Most of the farm and city mortgages are held by insurance companies as a protection for moderate sized insurance policies or by trust and loan companies that are again responsible to a great number of middle class citizens for the funds so invested. If the deflation of values reaches the point where debts cannot be paid the primary sufferers will be these people whose savings are small individually but make up enormous accumulations of capital in the aggregate.

When people talk about writing down interest rates and wiping out debts by legislative action, they probably forget that what they are suggesting in the ultimate analysis is that their own insurance policies and bank deposits be written down. Seen in this light the proposition would not be so attractive to the great mass of people.

Naturally, the question is asked: how about the multi-millionaires—the men whose stock interests control these and other great financial institutions? The truth of the matter is that the very wealthy financial operators are debtors, as well as creditors. They have made their investments in equity securities, in common stocks of one kind and another. They gain and hold their wealth by their financial agility, their ability to foresee trends and to shift their position from one type of security or one type of business to another before most people are awake to the implications of economic trends. If there were a general scaling down of debts in the country the wealthiest men would probably come out of it controlling even greater resources than are now under their command.

Present debts can not all be paid at present price levels. There is no use in fooling ourselves on that point. But likewise there is nothing to be gained by assuming that debt adjustment is a process that takes from the wealthy to give to the poor. It will be the average middle-class citizen who will take the blow.

THE CHIEF FEATURE OF THE RAIL BILL

THE railway bill before Parliament has two main features. There is provision for the appointment of a non-political board of trustees to administer the Canadian National Railways on behalf of the Government. And there is provision for compulsory co-operation between the Canadian National and the Canadian Pacific Railways. Other features of the bill are of lesser importance, although some of them may in time prove to be highly significant in their operation.

A desperate attempt has been made by some members of Parliament to leave loopholes in the bill under which it would be possible to make purely political appointments to the trustee board and to keep the Canadian National Railways finances and operations under the close and intimate control of the politicians at Ottawa. This move has apparently been successfully circumvented by the prime minister and the minister of railways.

The compulsory co-operation principle seems to be doomed through the newly proposed provision under which this portion of the bill can be brought into force only on the order of a cabinet. It may be that such an order-in-council will never issue and that reliance will be had upon the desire of the two railways to reduce expenses rather than upon legislation. Mr. Beatty has vigorously attacked the compulsory co-operation proposal on the principle that it meant legislative interference with the essential rights and privileges of the owners of the C. P. R. system. Apparently there were others who felt that, regardless of the effect upon the C. P. R. shareholders, compulsory co-operation was a contradiction in itself and incapable of enforcement.

In the ultimate analysis the Railway Bill comes through with only one important feature left in it—a provision for the appointment of a non-political board of trustees to be given full power over the finances and operation of the Government-owned line. And after all, if a sufficiently capable and courageous board of trustees is appointed and it is freed of responsibility to Parliament in matters of detail, there may be no need for arbitral tribunals. Given non-political, financially expert operation and management the Canadian National Railways can make a much better showing.

It is worth a trial. If it does not work the whole problem will have to be surveyed again in 1934.

SURVIVAL OF FITTEST IN NEWSPRINT

AFTER six months of comparative freedom from publicity, the newsprint situation was again brought to the fore by the action of International Paper Co. in offering its contract customers a rebate of $5 a ton on all newsprint delivered from the beginning of April and until further notice. This action was to be expected. For some time manufacturers have openly cut prices or given secret rebates, making the official schedule of little or no value in maintaining stability.

The discount, followed by the other companies in order to protect their own interests, means more than bringing the official price down to the market price. It means a loss of many millions of dollars to the manufacturers and what would appear to be a determined attempt to bring about some degree of co-ordination among the manufacturers.

While numerous attempts have been made to put into operation a common policy for the guidance of the industry, such attempts have ended in failure. Meanwhile, several of the principal producers have become insolvent, while the remainder have been forced closer and closer to bankruptcy.

The further restriction of earning power is expected to result in the tightening up of credit facilities by the banks and the consequent weeding out of the unsound enterprises.

By the end of this year it is expected that the operators will have to renew woods operations or buy pulpwood in the market. This will mean the raising of additional working capital. It is hardly conceivable that the banks will advance money for the purchase of pulpwood to be converted into paper and sold at a loss. Their experience over the past few years will make them doubly cautious of making any new commitments. Failure to receive additional banking support would mean that several of the manufacturers would have to cease operations.

This is a critical year in the industry's history and the current action of International may be the beginning of a turn for the better through forcing the issue to a head by bringing about a withdrawal of financial support from those companies which are ill-fitted to survive.

PROMOTERS

SECURITY promotion and sale are now under provincial control in most of the provinces of Canada. There are rumblings at Ottawa suggesting that Dominion company law will gradually be strengthened to prevent some of the worst abuses in corporation finance. In the United States, security dealing has been brought directly under the control of the Federal Government.

It is always thus. Whenever the pirate group get busy in any field of business or finance, governments are compelled to intervene to protect the public. The laws and regulation invoked often prove embarrassing to legitimate business operators who have to submit to the routine of red tape as the lesser of two evils. It is better to have governmental interference than to have their business destroyed by dishonest competitors.

In some circles, the current trend is hailed as marking the end of the promoter. This is rather premature. Promoters will not be put out of business. The world does not want them put out of business. There is a useful utilitarian function to be performed by the financial genius who will assemble capital and make it available to men of ideas and ambition who can use the capital to increase the wealth of mankind.

But if the new legislation will put an end to financial promotions that are designed primarily to rob wage earners, customers, and the general investing public of their share of the profits of industry and distribution in order to fatten the purses of those whose interest in business and single enterprise is temporary and not continuing, the world will be a better place to live in.

Let us not hail the end of the promoter. But let us hope that we can soon hail the end of what has come to be known as high finance, which has never been high in standards, although high in cost. High finance has been high in the same sense that an over-ripe fowl is high; that is, rotten.

WORK-SHARING ON THE C. N. R.

SOME members of Parliament have been protesting against economies on the Canadian National Railways that would reduce the total amount of wages paid or the number of men employed.

The truth of the matter is that the revenues of the Canadian National Railways, as well as of the Canadian Pacific Railway, have fallen to a small fraction of the revenues in 1928 and 1929. With revenues down there is simply not the same amount of money available with which to maintain staff. It is essential that expenses be reduced in every direction and this makes it necessary to have reductions in the rates of wages, reductions in the number of working hours and also reductions in the total number of staff. If the State has a responsibility to the unemployed man, then that responsibility should be assumed directly and not through keeping him at work on the Canadian National Railways if he is not required.

As a matter of fact, much of the difficulty in regard to labor on the Canadian National Railways is the product of rather obsolete union rules. Under the seniority provisions of the regulations certain men on the Canadian National Railways are operating very close to full time and have suffered only a comparatively small diminution in their income. On the other hand, other members of the same unions have been forced to take very greatly curtailed time and have had their incomes cut seriously.

A generous spirit of work sharing on the part of the employees of the railroad would overcome a great deal of the difficulty arising from unavoidable cuts in personnel.

EDITORIAL NOTES

When Britain went off gold, American economists said it was inexcusable for any country to abandon gold without raising bank rates to protect its currency. And now that the United States has gone off gold British economists say no nation has any right to abandon the gold standard without using some of its surplus gold to protect its position. Tit for tat!

* * *

The attempt to legislate the 30 hour week into existence in the United States will probably fail. But the 30 hour week may come in time. Shorter laboring hours are part of the social dividend of mechanization.

* * *

The Winnipeg Free Press, in presenting a table of income tax rates, stops at $20,000. Which is a commentary on what the depression has done on the Free Press's constituency.

POST-scripts

ISAAC WALTON is head of Isaac Walton & Co., of London, clothiers and outfitters. But he is not the same Isaac Walton who wrote the Compleat Angler.

Walton & Co. did not show large enough earnings to pay preference dividends of six per cent in the last two fiscal years ended Jan. 31, 1932 and 1933. Three months of the 1932 dividends are in arrears. But rather than allow the arrears to continue in 1933, Isaac Walton paid the entire year's dividends himself. This amounted to £8,400.

As a result, balance carried forward in profit and loss account was increased £5,286, the amount of the year's net profits. The balance had been reduced to only £404 in the 1932 year.

The moral is that Mr. Isaac Walton does not appear to have been fishing for suckers when the preference stock was sold.

THE manager of one of the largest branches of one of Canada's largest banks was recently quoted in the press of his city as stating that "he was disinclined to put much reliance in The Financial Post story" that bank interest on savings deposits would soon be reduced from three to 2½ per cent.

One of the local newspapers interviewed the banker who informed the paper that "he, too, had seen a good deal of newspaper talk about the subject, but that nothing was known in banking circles, as far as he was concerned, and he had had no official intimation that any such change was proposed.

"'As a matter of fact,' he was reported to have said, 'the interest rate is fixed by law, and there can be no change made until an act is brought in to the Canadian parliament.'"

The Post scooped on the interest rate cut when it indicated in November, 1932 that it was under consideration.

BRITISH railway companies are losing no opportunities of gaining new business, or of bringing the varied nature of the services they can offer to the notice of the public. One of the devices adopted, by the London Midland and Scottish Railway, is that of a travelling bureau. On certain trains used by business men, a compartment is reserved, staffed by expert representatives for passenger and freight transport respectively, who are equipped to give full information on all transport matters. This "Business Contact" service, as it is called, not only enables actual business to be done or initiated, but it gives the railway authorities valuable ideas on what are the requirements of their customers. Another means which has been adopted by this same railway to find out its customers' needs has been the issue of an appeal through the press to all those who use the railway asking them to send in criticisms and suggestions for the improvement of the service.

In the Mail

Opposes Inflation

Editor, The Financial Post,

Canada has everything to lose and absolutely nothing to gain from the policy of further inflation. Inflation is defined as an increase in the amount of money and credit outstanding or in the velocity of money circulation, without corresponding increase in the physical volume of business. Inflation is not a new thing. It has been tried out several times over the past century. In each case the method of inflating has been substantially the same and in each instance the consequences have been similar, with the unfortunates concerned finally in desperation crying for a halt and a return to former stability.

Canada has at the present time currency that is inflated to the amount of $68,000,000. Of our Dominion notes $68,000,000 is entirely without a metal coverage; nothing behind it but the promise of the country to pay. That is one of the factors that has to do with the depreciation of our dollar.

Further inflation of our dollar would add to the already burdensome charges involved in meeting heavy extra obligations in New York, which are payable in gold. Also further inflation would lead to a flight of domestic and foreign capital and would increase present depressed conditions and perpetuate it. Business would be reduced to a gamble in face of an insecurity and instability with which no one could cope. There would be heavy international speculation in the Canadian dollar as there was against the German mark, and the French franc between 1919-26 and the Italian lira, the Belgian franc, Austrian krone, Spanish peseta, during 1927-31 and the £ from 1931 till now.

EDWARD E. BREWER.

Edmonton,
April 18, 1933.

Balancing Budgets

Editor, The Financial Post,

Now that Mr. Rhodes has presented the budget for the current year, and President Roosevelt has set in motion measures to balance his government's accounts, it should be of interest to compare results.

Mr. Rhodes stated that the ordinary public debt of Canada as at March 31, 1933, was $2,599,089,000 and the debt of the National Railway was $1,263,000,000. A direct liability of $3,862,089,000 for our 10,000,000 people.

This is an increase in two years of $437,474,064, a per capita increase of $43.75 for every man, woman and child in Canada.

Mr. Rhodes estimates the revenue for the current year at $287,230,000 and expenditures at $369,629,000 a discrepancy of some $81,000,000.

To bridge this deficiency he proposes a cut in expenditures of $17,000,000 and an increase in taxation of $70,000,000.

To secure this $70,000,000 he imposes a direct tax on one of the prime necessities of the people—sugar, he proposes to reduce the exemption on income tax payers and an increase in the rates; he proposes to hinder the return to normalcy of business by increasing taxation and eliminating exemption on all business institutions; he proposes to penalise investments of foreign capital by an arbitrary levy of 5 per cent on all corporate dividends, payable to non-residents.

President Roosevelt has been in office just about one month. He has inaugurated measures to secure reductions in governmental expenditure of $712,814,000 with still further reductions when budgetarian Douglass gets into his stride. This reduction is in addition to what President Hoover effected when in office.

Governments are not exempt from the inexorable laws which govern all organizations, and cannot continue indefinitely to pyramid debts; neither can they levy on the taxpayers forever and avert trouble.

READER.

New York,
April 12, 1933.

As Others See Us

Who's Childish Now?

The Toronto Star.—The Winnipeg Free Press accuses The Financial Post of repeatedly making a "childish, lying, whining statement." One would almost gather that the Free Press dissents from what The Post has been saying.

Unemployed Reserve Plan Urged for Industries

Industrial Conference Board Makes Important Contribution to Study of Vital Problem

Recognizing that industry has a responsibility in relation to unemployment which involves an obligation to assist its stable and permanent workers to protect themselves against the ordinary vicissitudes of employment in normal times, the National Industrial Conference Board has recently made an important contribution in the field of industrial relations by outlining and sponsoring a definite plan or programme for unemployment reserves in industry. The plan is contained in a brochure entitled "Essentials of a Programme of Unemployment Reserves."

Fundamental principles on which such a plan or policy must be determined are outlined as follows:

1. Should the coverage under the plan be extended to all employees or restricted to the more stable and permanent working force?
2. What should the rate of benefit and the duration of payment be?
3. Should the plan be contributory for employees or non-contributory?
4. If the plan is contributory should participation be compulsory for employees or voluntary?
5. If, the employees contribute, should their contributions be pooled or set up on an individual reserve basis?
6. How should the funds be administered?

Board's Conclusions

Consideration of all these points is given in detail in the study and the conclusions of the board indicate approval of a plan which would apply to employees who have given at least six months continuous and satisfactory service; whose payments should be on the basis of approximately 50 per cent of average weekly earnings and should not exceed $10 per week; that such disbursements should provide for payment over a period of at least ten weeks.

Weighing the pros and cons of whether or not the plan should be supported by contributions from employees the board expresses the opinion that in general the advantages of the contributory methods of accumulating unemployment reserves outweigh the objections. The proposal is made, therefore, that the minimum rate of contribution by employer and employee be fixed at one per cent of payroll and wages respectively although it is advised that during the first year, contributions might be fixed at a somewhat higher rate which could then be graduated downward as reserves accumulated. When reserves reach a specified size, contributions could be discontinued. Upon depletion by the payment of benefits contributions would be resumed until the reserves are built up again to the full amount.

Optional vs. Compulsory

As to whether or not the plans should be compulsory, the board suggests that the best results, under a contributory plan are obviously achieved by 100 per cent participation of eligible employees, or certainly of employees earning less than a specified amount. It is suggested, however, that initially, participation should be made voluntary so as to solicit co-operation of workers, with the provision that for employees entering the service thereafter participation would be obligatory.

As to whether reserves should be pooled or handled individually, the board discusses the pros and cons and expresses the belief that while practical considerations of cost may justify the adoption of the pooling method, the individual reserve method is theoretically in harmony with the fundamental purpose of a contributory unemployment reserve plan. The board expresses the opinion that while experience does not yet justify a positive statement in regard to the relative merit of individual reserves as compared with pooled reserves, "A preponderance of judgment indicates that individual reserves are to be preferred for employee contributions, but that the employers contributions should be kept in a separate fund not allocated to the individual accounts of the employees."

Size of Reserve Fund

As to disbursements, the board suggests that rules should provide for payment over a period of at least ten weeks. On this basis, with benefits at 50 per cent of average earnings, it would be necessary to accumulate a reserve fund amounting to approximately five times the average weekly earning of all employees covered by the plan, according to this survey. As to general eligibility to draw benefits from the fund, it is suggested that benefits become payable after a total of eight weeks of total unemployment or twelve weeks of part-time employment with earnings less than 50 per cent of the average or nominal earnings in any preceding twelve months or, after a total of four weeks of total unemployment or six weeks of part time employment in any preceding six months, provided further that no benefit should be paid in any case for the first two weeks of unemployment.

As to the general argument leading to the belief that such a move is a wise one for industries to adopt, and the advantages of such a plan in the general scheme of handling unemployment throughout the country, the conclusions of the survey may be summarized as follows:

"The programme of unemployment reserves that has been outlined is not offered as a solution of the unemployment problem. It is only one step toward a solution. It must be frankly recognized that the problem of unemployment cannot be solved completely through voluntary individual or co-operative action by employers for the establishment of unemployment benefit or reserve plans. Even if developed to the limits of their full possibilities, these plans would effect only a partial solution of the problem.

"In the first place, if employers generally should adopt plans of unemployment reserves in accordance with the programme that has been outlined, these plans would provide only for the stable and permanent working force, leaving perhaps one-fourth or more of the workers to be cared for in some other way. Morever, it cannot be expected that under present conditions any considerable number of employers will voluntarily take action for the establishment of such plans. Furthermore, the schedule of benefits under the type of plan here suggested, or any other plan that has been proposed, would not carry the worker beyond the first few months of a protracted period of unemployment.

"In view of these considerations, it seems impossible to hope that any action which may be taken by industry for the establishment of private company plans will avert legislative action in some form. The question, therefore, arises: Why should industry take any action in regard to unemployment reserves—why not let the movement for legislation take its course?

Why Industry Should Act

"There are several cogent reasons why industry should act in this matter. First, it is recognized that industry has a responsibility in relation to unemployment, which involves an obligation to assist its stable and permanent workers to protect themselves against the vicissitudes of employment in normal times. This responsibility should be met; industry should do its fair share toward the solution of the unemployment problem.

"Second, action by industry for the establishment of private unemployment reserve plans would help to reduce the dimensions of the problem of unemployment in general. It would at least effect a partial solution of the problem, by providing for considerable groups of the stable and permanent workers. This would simplify and lighten the task of providing relief for the unemployed through public or private relief agencies.

"Third, a programme of unemployment reserves that was generally agreed upon by employers would set a standard or model that would influence the character of legislation on this subject. If, as recent developments clearly indicate, legislation of some kind is inevitable, industry should take measures for shaping the course of legislation particularly for preserving to employers the right to establish and operate their own plans. The most effective way to combat objectionable proposals of legislation is to offer alternative proposals of a constructive character that will command the support of legislatures and the public generally."

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The TIRE that TAUGHT THRIFT to THOUSANDS

The Week in Business

Lower Tariffs

PRIME MINISTER BENNETT'S mission to Washington holds the attention of business this week and the expressed purpose of that visit—to establish better trading relations with United States—combined with a general rise in commodity prices following the United States inflationary campaign, has provided a crop of predictions that the four-year depression is over. Optimism is certainly evident in many quarters and, though hardly justified at this stage, it does appear that it is more than a straw that is being clutched.

No news from Washington is available at the time of writing, the latest information appearing elsewhere in this issue, but a survey made by The Financial Post shows that the United States market that has been lost is certainly worth some sacrifice to recover. It may be that certain Canadian industries, more particularly branch plants of United States concerns will be the sufferers in the barter of lower tariffs. Lower tariffs within the Empire combined with a stronger "Buy British" feeling have already demonstrated the possibilities of increased trade in the face of a general decline in the exchange of goods throughout the world, and stimulation of trade with the United States should also be practicable on this basis.

* * *

Soviet Embargo

EMBARGO placed by the United Kingdom on imports of a group of commodities from Soviet Russia would have tremendous significance to Canada if there were any hope that the embargo, which is at present only for three months, would become permanent. With the exception of all kinds of lumber, imports of the United Kingdom from Soviet Russia of the items against which the embargo has been placed were not large in 1932, although if the embargo were to become permanent the elimination of Soviet Russia from the picture as far as grains and butter are concerned would undoubtedly have a beneficial effect on Canadian trade with the United Kingdom.

Nearly 1,500,000 loads of sawn soft wood and timber valued at £4,522,000 or about $22,000,000, were imported by U. K. from Soviet Russia in 1932, as compared with 215,318 loads worth less than £1,000,000 from Canada. In other lumber items, imports from Soviet Russia are considerable and, on the basis of 1932 trade figures, a market of approximately $25,000,000 would be left open should the present embargo become permanent.

* * *

Farmers' Finances

FARMER purchasing power, a potent factor in the economic life of the Dominion, has been rising for the past two months, some measure of mild prosperity being achieved when comparison is made with the levels at the close of 1932. This distribution of unexpected income to farmers throughout Canada, chiefly owing to higher wheat and hog prices, will undoubtedly have a quickening effect on industry in which practically all lines should join. The absolute necessity of increased prices for farm products before any general improvement in Canadian business could be expected or commence has long been stressed and it would appear that the first hurdle, at least, has been successfully negotiated.

The parallel between the present situation and that prevailing in 1924 is clearly brought out in the current issue of the Bank of Nova Scotia monthly letter. In the early part of 1924, business was suffering severely from the low purchasing power of the farmer in comparison with the cost of manufactured goods but the consummation of the Dawes Plan and the shortage of the cereal harvest of 1924 brought about a rise in farm produce prices which prepared the business world for the upturn to the peak of 1929.

* * *

Statistics Summarized

ALTHOUGH the iron and steel industry made an extremely poor showing in March, no pig iron furnaces being in blast during the month and with steel production at the lowest point in recent years, other statistics for the month, released during the past week, show some improvement over February and, in the case of automobiles financed, over March a year ago. Car loadings for the month were over 6 per cent higher than in February after adjustment for seasonal influences, wheat being the chief factor, while electric output was also higher.

Orders for steel during the month, while slightly better than in the previous month, were almost entirely for small spot tonnages. An upward adjustment was made in the prices of steel plates and sheets to bring these more in line with overseas values.

Merchandise loadings was the chief loser in the week ended April 15 compared with the previous one, although all loadings were affected in the comparison by the Easter holidays. Lumber, pulpwood and miscellaneous loadings were higher but others declined somewhat. The index number, however, was higher than in the previous week due to seasonal adjustment. Total car loadings at 30,136 were off 2,234 compared with the previous week and 11,373 compared with the same week a year ago.

Commercial Fruit Yield Worth $10,000,000 in '32

Total value of commercial fruit produced in Canada in 1932 was $10,077,907 of which 2,789,477 barrels of apples accounted for $5,518,519, the largest item in the list that goes to make up the total. These figures compare with a crop valued at $14,616,443 in 1931 of which 3,793,052 barrels of apples made up $8,632,014.

Production of strawberries during the year amounted to 23,909,752 quarts valued at $1,427,767. Though the 1922 commercial strawberry crop returned over 6,300,000 quarts more than in 1931, the total value last year was less owing to the average price per quart being six cents compared with 10 cents in the previous year.

Business Conditions in Canada

WHEAT AND MEATS AUTOS AND PARTS EXPORT VALUE UP

Volume of These Items and of Cheese Also Higher

Only three of the principal items of export from Canada showed an increase in dollar value in the fiscal year ended March 31, 1933, compared with the previous fiscal year and only four increased in volume, a survey of trade figures for these years reveals. Wheat, meats and automobiles and parts were the items which had a higher dollar value, the increase in each case being due to a considerable increase in volume more than overcoming lower prices.

Total exports for the fiscal year were valued at $480,821,297 compared with $587,565,517 in the previous fiscal year, a decrease of 18 per cent. Imports totalled $406,213,972 compared with $578,492,882 in the previous fiscal year, a decrease of nearly 30 per cent. The credit balance of trading account for the fiscal year ended March 31, 1933, was therefore $74,607,325 compared with slightly over $9,000,000 in the 1932 fiscal year.

Big Drop For Newsprint

Increased wheat exports are probably the feature of this side of trade, 239,373,255 bushels worth $130,546,365 being exported compared with 191,316,933 bushels, worth $115,739,451 in the prior year. Exports of meats and automobiles and parts, as already mentioned, were higher in volume and value, volume of the former increasing nearly 100 per cent to 619,583 cwts. Cheese is the only other item among the leaders to increase in volume, this increase being a small one of 3,000 cwts.

Newsprint exports show the greatest loss in value, dropping 28 per cent, due both to lower volume and reduced prices. During the year the average price received for newsprint exported was $22.90 per ton compared with $25.80 in the 1932 fiscal year. Leading export items are as follows:

Principal Items of Export
(Fiscal Years Ended Mar. 31)

	1933 $	1932 $
Wheat	130,546,365	115,739,451
Newsprint	74,136,863	103,003,352
Wood pulp	17,786,135	27,684,782
Fish	17,183,351	24,437,078
Wheat flour	16,987,110	18,897,543
Copper, part mfg.	12,032,311	19,687,884
Planks & boards	11,101,960	18,766,452
Furs	10,784,184	12,218,099
Cheese	8,758,415	10,593,967
Autos & parts	7,812,184	4,331,473
Nickel, unmfg.	7,464,500	12,109,400
Meats	6,683,240	4,960,816

WINDSOR, FT. ERIE MAIN ENTRY PORTS TOURIST TRAFFIC

More Than Half Tourist Autos Enter Via These Points

More than one quarter of the total number of automobiles entering Canada for tourist purposes enter through Windsor, Ont., a survey of tourist traffic statistics for 1932 reveals, while the number coming through Windsor and Fort Erie together makes up one half of the total for the Dominion.

Total number of foreign tourist automobiles entering Canada in 1932 was 4,103,777 compared with 4,909,989 in 1931, Ontario accounting for 3,049,586 in 1932, Quebec for 536,146, New Brunswick 287,090, British Columbia 143,879, Manitoba 43,604, Alberta 21,575, Saskatchewan 20,736 and Nova Scotia 1,161.

Niagara Falls Third

Of the 1,186,425 automobiles entering through Windsor, 983,108 were entered for a period of 24 hours only, 203,278 for periods up to 60 days and 39 for periods up to 6 months. Fort Erie had 944,198 automobiles entered, 525,492 under 24-hour permits, 118,683 under 60-day permits and 23 under 6-month permits, Niagara Falls was the third largest port of entry with 652,911 automobiles 531,891 under 24-hour permits.

Rock Island was the chief port of entry in Quebec with a total of 79,895 automobiles, 54,942 of which were under 24-hour permits. Philipsburg and Lacolle were the next in importance in Quebec in point of numbers.

Edmundston, N.B., the chief port of entry in New Brunswick, the total of 118,560 cars being an increase of 37,334 over 1931 figures and 57,751 cars over the total for 1930. Four ports in British Columbia showed small increases in entry of automobiles in 1932 compared with the previous year. Chief ports of entry in 1932 were as follows:

Leading Ports of Entry for Automobiles in 1932

	Total	24-Hour Permits	Longer Periods
Windsor, Ont.	1,186,425	983,108	203,317
Fort Erie, Ont.	944,198	525,492	418,706
Niag. Falls, Ont.	652,911	531,891	121,020
Edmundston, N.B.	118,560	111,549	7,011
Rock Island, P.Q.	79,895	54,942	24,953
Philipsburg, P.Q.	70,703	7,388	63,315
Lacolle, P.Q.	54,403	17,889	36,514
Pacific H'way, B.C.	38,074	1,110	36,964
Douglas, B.C.	26,936	7,571	19,365

LOST EXPORT TRADE HITS KRAFT OUTPUT

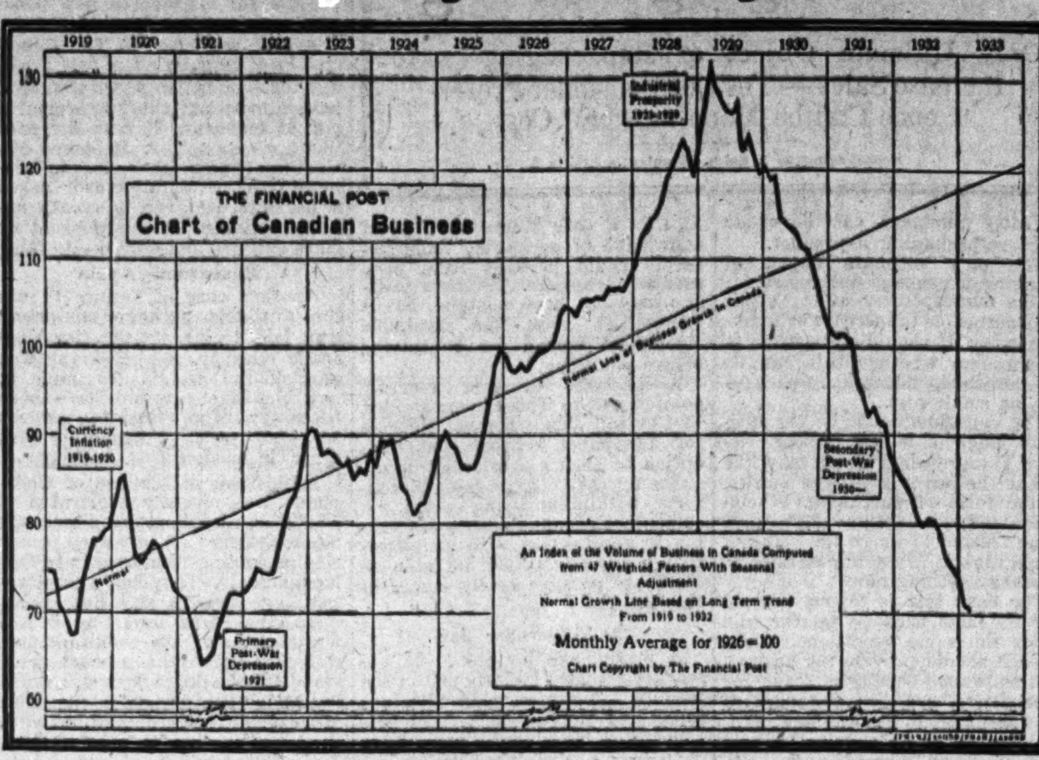
Processed Cheese Production Third 1925 Level in 1932

Present low production of the kraft cheese industry is entirely due to loss of export markets, statistics of this industry for the past ten years reveal. Unlike the majority of Canadian industries which reached a peak in 1929, the processed cheese industry recorded highest production in 1925 with a total of 32,653,000 pounds, over 21,000,000 pounds of which was exported. Production in 1932 amounted to only 10,714,000 pounds, the export total being less than a million pounds.

From over 21,000,000 pounds in 1925, exports declined 50 per cent in 1926 and then to 3,725,000 pounds in 1927. A temporary recovery was made in 1928 to nearly 7,000,000 pounds but from that time exports have steadily declined to the low level of 1932.

Domestic consumption has remained fairly constant at around 10,000,000 pounds throughout the period, falling off slightly since the peak of nearly 14 million pounds reached in 1929.

Little Change in March Figures



Higher Prices Create More Optimistic Outlook

Business Fails to Gain in March, The Financial Post Index Reveals, But International Efforts For Betterment Give Hopes For Future

Business operations were practically maintained in March, according to the preliminary computation of The Financial Post index. The recent advance in wholesale prices has greatly changed the outlook in the last few weeks. Mining was more active as measured by shipments of the principal metals, notably nickel, gold, silver and zinc. Foodstuffs industries increased operations and the automobile industry reported a greater output.

By SYDNEY B. SMITH

Business operations in March were not greatly altered from the preceding month, The Financial Post preliminary index showing a gain before smoothing while a slight decline was indicated after that process. March was a month of uncertainty owing to the banking crisis in the United States, but a brighter outlook developed toward the end of the month, when it was found that the effects of the crisis were not so serious as expected.

The raising of wholesale prices now being undertaken through international conferences will tend to hasten a process which was practically inevitable through economic action alone. It should be remembered that the trend of wholesale prices is not determined solely by the demand and supply of commodities but also by the demand and supply of currency and credit. From this viewpoint governmental and banking interests have a responsibility to re-establish wholesome monetary conditions. The gradual recovery of wholesale prices whether by economic or political action would permit of profitable business enterprise resulting in a lifting of the depression. Recent developments including the constructve attitude at Washington have raised hopes that a betterment in economic conditions may be achieved in the near future.

Mineral Production Gains

The preliminary index of business operations with about two-thirds of the information available, was 70.4 in March compared with 71.0 the final for February. Mineral production, foodstuffs and automobiles showed gains while other lines were either reactionary or recorded moderate change.

Exports of nickel were 5,073,000 pounds compared with 3,469,400 in February, a moderate gain being shown after seasonal adjustment. Zinc exports were 20,271,600 pounds compared with 14,006,500, the gain after seasonal adjustment being 17.5 per cent. Gold receipts at the Mint were 264,159 ounces valued at $5,460,655, exclusive of the premium. The receipts in February were 214 597 ounces. Gold shipments after seasonal adjustment showed a gain of 8.4 per cent over February.

Silver shipments were 1,692,469 ounces compared with 997,579 in the preceding month, the adjusted gain being 68.2 per cent. Asbestos exports of the better grades were 3,641 tons compared with 2,219, a gain being shown after usual adjustment. The coal output showed a considerable decline, contrary to seasonal expectation. Owing mainly to greater shipments of gold, silver, nickel and zinc the index of mineral production was higher in March than in the preceding month.

Higher Sugar Output

The gain in foodstuffs was due mainly to the sharp increase in the manufacture of sugar while most of the factors used in this connection recorded heavier volume. After seasonal adjustment flour and oatmeal production were greater in the latest month for which statistics are available, while rolled oats and corn flour showed decline.

The manufacture of sugar was 55,432,000 pounds compared with 20,347,000 in the February four-week period, the gain after seasonal adjustment being no less than 121.5 per cent. Hog slaughterings were 250,468 head compared with 220,419, and sheep were also inspected for slaughtering in increased numbers. The gain in cattle slaughterings was less than normal for the season. Exports of cheese and canned salmon showed considerable gain. The index of foodstuffs production was 74.1 compared with 63.0 in February.

Tobacco Releases Lower

Release of cigars for consumption was 6,407,000 compared with 4,675,000, a gain of 12 per cent after adjustment. Cigarette releases were 35,108,000 compared with 264,525,000, the gain being less than normal for the season. While raw leaf releases showed a gain, the composite for the three items recorded a moderate decline. Leather boots and shoes were manufactured in larger volume in the last month for which statistics are available.

Production of newsprint was 137,078 tons compared with 125,610 in February, the gain being very slight after seasonal adjustment. Exports of wood pulp, planks and boards showed a gain of moderate proportions, while the gain in exports of shingles was less than normal for the season, the forestry index was 60.7 compared with 59.8 in February.

Building Indices Poor

The output of steel ingots were 11,212 tons while the production of pig iron was suspended for March. Production of automobiles was at about double the level of the two preceding months, a minor portion of the increase being due to seasonal considerations.

The gain in contracts awarded and building permits was considerably less than normal for the season and operations are at an abnormally low level. The prospects of higher prices for building materials may result in increased activity with the advance of the season.

The average daily production of electric power was 44.227,000 kw.h. compared with 46,413,000, the decline being mainly explained by seasonal considerations.

March Carloadings Gain

Carloadings in March were 157,416 compared with 133,147 in February, the gain after seasonal adjustment being 6.6 per cent. The increase in imports was slightly less than normal for the season while exports showed a gain, after adjustment, of about 3 per cent.

Bank debits were $1,887,000,000 compared with $1,830,000, a decline of 4.6 per cent after seasonal and price adjustment.

The fact that the level of business operations was practically maintained in March from the preceding month justifies hope that better things may be expected as the effect of increasing wholesale prices is more thoroughly appreciated in coming months.

Canada-Germany Treaty on Tariffs Satisfies Neither

From Our Own Correspondent

OTTAWA.—The trade pact with Germany, whereby Germany extends her conventional tariff to Canada and receives, in return, our intermediate tariff, is a temporary expedient to carry trade negotiations on until December 31.

The arrangement is most unsatisfactory both ways. Germany's conventional tariff is practically prohibitive on the products Canada can export—wheat, cheese, other primary products. And Germany contends that the Canadian intermediate tariff is of no value to German exporters.

Ottawa's trade negotiations in the past few months would indicate a need of a more favorable intermediate tariff. Recent increases in the rates have made the intermediate schedules almost as high as the general tariff. As a bargaining tariff, therefore, it is not attractive.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Apr. 15)	30,136	41,509	493,305	618,274
C. P. R. gross earn. (Apr. 14) $	1,760,000 $	2,122,000 $	25,333,000 $	30,643,000
C. N. R. gross earn. (Apr. 14) $	2,302,210 $	3,194,452 $	31,206,741 $	40,166,968
Automobile exports, No. (Feb.)	277	414	781	996
Monthly				
C. P. R. net earn. (Feb.) $	96,611 $	229,434 $	419,083 $	846,913
C. N. R. net earn. (Feb.) $	‡1.401,934 $	‡589,428 $	‡2,822,782 $	‡1,177,550
Iron and Steel—				
Pig iron, tons (Mar.)	nil	17,989	35,353	38,801
Steel, tons (Mar.)	11,212	43,572	64,352	97,10[illegible]
Automobiles prod., No. (Feb.)	3,298	5,477	6,656	9,208
Automobile exports, No. (Feb.)	277	414	781	996
Construction—				
Building permits (Mar.) $	934,555 $	3,396,729 $	3,016,339 $	9,453,012
Contracts (Mar.) $	3,191,600 $	10,766,700 $	9,703,300 $	38,307,600
Newsprint—				
Production, tons (Feb.)	125,610	158,543	266,149	329,864
Exports, tons, (Feb.)	107,446	142,445	235,225	315,358
Sugar—				
Imports, raw, lbs. (Feb.)	11,998,200	24,368,700	20,620,100	36,354,400
Melt & ship., lbs.*	57,890,777	52,912,044	95,698,818	108,338,888
Manufactured, lbs.*	55,432,178	51,376,286	103,082,420	105,448,206
Flour—				
Production, bbls. (Feb.)	844,899	842,123	1,604,006	1,699,315
Wheat flour exp., bbls. (Mar.)	490,270	414,779	1,220,688	1,084,098
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Feb.)	37.71	60.44	76.89	114.29
Boots and shoes, pr. (Jan.)	921,898	1,112,192	......	......
Petroleum, imp. crude, gal. (February)	37,555,919	48,582,747	72,640,869	121,311,890
Cotton, imp., raw, lbs. (February)	6,026,000	7,074,000	14,791,000	15,702,000
Rubber, raw, imp. lbs. (Feb.)	2,621,013	3,859,283	5,294,427	7,770,689
Coal, imports, tons (Feb.)	455,272	508,696	941,478	1,138,329
Gasoline sales (Jan.)	27,712,000	25,354,000	......	......
Trade—				
Imports (March) $	32,793,266 $	57,487,184 $	80,748,513 $	127,137,776
Exports (March) $	36,573,834 $	39,749,307 $	94,538,175 $	114,547,061
Wheat exports, bus. (Mar.)	14,815,705	9,920,634	40,444,843	29,291,348
Labor—				
Employment Index (Mar.)	76.9	88.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Feb.)	1,299,566	1,326,133	2,696,205	2,789,051
Finance—				
Failures, No. (Jan.)	213	238	......	......
Failures, Liabilities (Jan.) $	4,049,929 $	4,060,643	......	......
Bank debits† (Feb.) $	1,830,277 $	1,990,046 $	3,799,152 $	4,061,081
Bond sales (Mar.) $	360,728 $	35,724,177 $	20,773,338 $	102,156,332
Insurance sales (Mar.) $	29,763,000 $	37,467,000 $	85,483,000 $	112,943,000
Automobile Financing—				
Used cars (Mar.) $	849,815 $	964,196 $	2,038,859 $	2,578,360
New cars (Mar.) $	914,609 $	1,060,446 $	1,906,628 $	2,420,852

*Four weeks period, Mar. 4 to Mar. 25. †(000's omitted). ‡Deficit.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Burlington, Ont., is making negotiations for the establishment there of a branch plant of a large United States textile concern. If the town council is able to meet the requirements of the firm the plant will be established, it is stated.

Provincial and Foreign Investments, Ltd., a Canadian company with a plant in Surrey, England, is considering the establishment of a plant in Montreal. The company manufactures Vitreo Colloid, a synthetic substitute for glass and celluloid. Establishment in Canada depends largely on whether or not the raw acetate product can be obtained in this country.

Robbins Lightning Protection, Ltd., Canadian subsidiary of Moore Bros. Lightning Protection Co., of Maryville, Miss., is establishing a permanent plant in Winnipeg following receipt of a contract to equip 3,000 prairie grain elevators with lightning protection systems.

St. Thomas, Ont., has passed a by-law to guarantee $45,000 bonds of the Canada Vitrified Products, Ltd., and allow that company to establish a plant in the city. A special bill will be introduced into Ontario legislature to authorize the transaction.

Hall Chemical Co., of London, Eng., will commence immediately on the construction of a plant in Montreal, P. Q.

W. & A. Gilbey, Ltd., world-famous English distillery firm, has completed arrangements for the establishment of a branch plant in New Toronto, first unit of which will cost $60,000. Early in May is the time set for commencement of building operations.

Deseronto Canning Co. has been organized by W. G. Scales, formerly manager of Associated Quality Canners, and will locate in Deseronto. It has not yet been decided whether to build a new factory or take over a present building and install machinery.

J. P. Williams Soap Co. of Canada, Ltd., has let a contract for the construction of a plant at Ville LaSalle, P. Q.

COST OF LIVING IN CANADIAN CITIES LOWEST IN OSHAWA

St. John's, P.Q., Has Cheapest Foodstuffs, Survey Shows

If you own your own home, St. John's, P.Q., was the cheapest place in Canada in which to live, figures showing the weekly workingman's food bill at March 1 prepared for The Financial Post by the Department of Labour at Ottawa indicate, but when rentals are added, Oshawa, Ont., takes pride of place among the urban centres of the Dominion, replacing Amherst which held this position at the beginning of the year.

The cost of the average weekly food bill varies all the way from $5.69 in St. John's, P.Q., to $7.42 in Cobalt, Victoria and Nanaimo, while rentals are lowest in Oshawa at $4 per week and highest in Halifax at 8.13, rentals being based on a workingman's 6-roomed house with modern conveniences.

Average for Dominion

For the Dominion as a whole the average food bill at February 1 was $6.70 and rent was $5.97. In addition, a compilation of fuel and light costs is made for the Dominion; at February 1 this amounted to $2.91, making the average weekly expenditure on food, rent, fuel and light $15.61. This figure is the lowest recorded since the early war years and compares with $15.89 in January and $17.25 in February, 1932.

Compared with February 1, food costs in the leading Canadian cities showed reduction in 30 cases, increase in 23 and 4 with no change. Rentals remained the same as at February 1 in all cases.

Food and Rent Costs in Leading Canadian Cities

	Food Mar. 1, 1933 $	Food Feb. 1, 1932 $	Net Change c.	Rent Mar. 1, 1933 $
Nova Scotia:				
Sydney	7.08	7.33	—25	5.25
New Glasgow	7.10	7.08	+2	5.00
Amherst	6.62	6.74	—12	4.13
Halifax	7.11	7.32	—21	8.13
Prince Edward Island:				
Charlottetown	6.74	7.05	—31	5.88
New Brunswick:				
Moncton	7.31	7.34	—3	6.75
Saint John	6.99	6.85	+14	6.88
Fredericton	7.19	7.35	—16	6.25
Quebec:				
Quebec	7.26	7.08	+18	7.50
Three Rivers	6.57	6.55	+2	5.38
Sherbrooke	6.30	6.47	—17	6.25
St. Hyacinthe	5.76	5.73	+3	5.25
St. John's	5.69	5.98	—29	6.00
Montreal	6.55	6.76	—21	6.38
Hull	6.09	6.28	—19	6.50
Ontario:				
Ottawa	6.82	6.87	—5	6.75
Kingston	6.09	6.24	—15	5.13
Belleville	5.95	5.97	—2	6.00
Peterborough	6.07	6.07	....	6.25
Oshawa	6.53	6.56	—3	4.00
Toronto	6.91	6.99	—8	6.75
Niagara Falls	6.83	6.86	—3	5.88
St. Catharines	6.61	6.69	—8	6.75
Hamilton	6.91	6.89	+2	6.88
Brantford	6.67	6.57	+10	5.88
Galt	6.84	6.64	—20	5.63
Guelph	6.39	6.35	+4	6.25
Kitchener	6.34	6.28	+6	6.50
Woodstock	6.01	6.08	—7	6.25
Stratford	6.26	6.26	....	6.50
London	6.42	6.30	+12	7.50
St. Thomas	6.68	6.36	+32	6.25
Chatham	6.29	6.27	+2	6.00
Windsor	6.41	6.47	—6	6.25
Sarnia	6.11	6.27	—16	6.26
Owen Sound	6.13	6.08	+5	5.50
North Bay	6.98	7.05	—7	....
Sudbury	6.93	7.05	—12	6.75
Cobalt	7.42	7.34	+8	5.50
Sault Ste. Marie	6.43	6.68	—25	5.38
Port Arthur	7.02	6.87	+15	6.00
Fort William	7.01	6.97	+4	6.00
Manitoba:				
Winnipeg	6.96	6.84	—12	7.50
Brandon	6.45	6.19	+26	5.63
Saskatchewan:				
Regina	6.54	6.59	—5	7.25
Prince Albert	6.58	6.62	—4	5.63
Saskatoon	6.50	6.21	+29	6.25
Moose Jaw	6.75	6.50	+25	6.75
Alberta:				
Medicine Hat	6.49	6.57	—8	5.88
Edmonton	6.78	6.68	+10	6.88
Calgary	6.35	6.40	—5	6.00
Lethbridge	6.20	6.12	+8	6.00
British Columbia:				
Fernie	7.24	7.26	—2	5.00
New Westminster	6.71	6.71	....	4.50
Vancouver	6.94	6.90	+4	5.63
Victoria	7.42	7.42	....	5.63
Nanaimo	7.42	7.44	—2	6.25

Business Briefs

Car Loadings for the week ended April 15 amounted to 30,136 cars, or 2,234 cars less than for the previous week. The Good Friday holiday affected the loadings to some extent but after adjustment the index rose from 56.55 to 57.34.

Wheat Stocks for the week ended April 14 decreased slightly from 225,867,542 bu. to 224,843,104 bu. For the same week in 1932, stocks totalled 176,215,009 bu.

Wheat Exports during the week ended April 14 amounted to 2,135,460 bu., slightly more than in the previous week but less than in the corresponding week of 1932 when the total was 3,076,274 bu.

Electric Power Output from central electric stations amounted to 1,371,047,000 kilowatt hours in March, an increase of 71,500,000 kw.h. over the previous month and compared with 1,393,172,000 kw.h. in March, 1932.

Employment in the Border Cities was slightly greater in March than in February, 11,719 workers being reported by 155 industrial concerns compared with 11,688 in February, but the total was 929 less than a year ago.

Failures in the week ended April 15 under the Bankruptcy Act numbered 34 compared with 35 in the corresponding week of 1932. Failures for the year to date number 589, a decrease of 48 or 7.5 per cent from the same period of 1932.

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Apr. 22	Previous week	Same week last yr.
Cattle (cwt.)	$5.50	$5.10	$7.00
Copper, lb.	.06¼	.05¾	.05⅝
Cotton, lb.	.0760	.0685	.0610
Rubber, lb.	.0368	.0370	.08
Silk, lb.	1.50	1.25	1.40
Sugar, raw, lb.	.0325	.0305	.0265
Wheat (Man.) bu.	.58¼	.52½	.62⅞
Hides, lb.	.07½	.05½	.04
Coffee, lb.	.07½	.07¾	.07⅛

Weekly Indices

N. Y. Annalist	83.6	83.8	90.8
Fishers'	57.1	56.8	†62.0
N. Y. Journal of Comm.	56.9	55.9	58.5
Crumps (Brit.)	60.1	60.0	†62.4

†Average 1932.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (Mar.)	64.4	63.6	69.1
Retail (Mar.)	78.9	79.0	....
U. S. Labor (Feb.)	59.8	61.0	66.3
Gt. Brit. (Feb.)	66.7	67.7	71.1

‡ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Smoke a BACHELOR CIGAR and relax

LEARN to relax now and then. Spend a quiet session with a Bachelor Cigar after every meal or throughout the day. Bachelor Cigar is famous for its true, Havana flavour—for its mellow, natural goodness.

WILSON'S BACHELOR 100% HAVANA FILLER CIGAR

C. M. A. Provincial Bodies Plan Annual Meetings

The annual meeting of the Ontario branch of the Canadian Manufacturers' Association will be held in London on May 3, The Financial Post learns. The meeting of the Toronto branch of the C. M. A. will be held in that city May 1, Quebec Province branch will hold its annual meeting on May 5 in Montreal. The annual meeting of the association is being held at Toronto on June 6 and 7.

No information is available as yet as to when the branch meetings for British Columbia and the Maritime Provinces will be held. The Alberta and Prairie Province branches held their meeting on April 20 at Calgary.

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
ONTARIO LAND SURVEYORS
New Liskeard, Ontario

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

IN THE TWINKLING OF AN EYE!
XII
XI

MOTHER KEEPS-HER SUNDAY DATE

Every Sunday evening at nine, she waits beside the telephone until the bell rings. Then comes Jack's voice, cheery as ever, clear and distinct as if he were in the room. Money couldn't measure the happiness it gives her.

●

Stretching from coast-to-coast, the all-Canada circuits of the Trans-Canada Telephone System place you, no matter where you are, within a few minutes of home. Use the telephone to keep in touch. Take advantage of a nation-wide service in which rates are low, connections speedy, and conversations clear as on local calls.

Between
VICTORIA
and Montreal - - $8.50
" Saint John - 9.50
" Halifax - - - 10.25
VANCOUVER
and Calgary - - - $2.60
" Ottawa - - - 8.00
" Saint John - - 9.50
CALGARY
and Hamilton - - $6.25
" Saint John - 8.00
" Montreal - - - 7.00
EDMONTON
and Winnipeg - - $3.00
" Toronto - - - 6.25
" Halifax - - - 8.50
REGINA
and Victoria - - $3.50
" Toronto - - 4.75
" Montreal - - 5.50
WINNIPEG
and Vancouver - $4.50
" Sydney - - - 6.25
" Halifax - - - 6.25
TORONTO
and Vancouver - $7.75
" Saint John - 2.35
" Halifax - - - 3.50
MONTREAL
and Vancouver - $8.25
" Edmonton - 6.75
" Halifax - - - 2.40
SAINT JOHN
and Edmonton - $7.75
" Winnipeg - - 5.50
" Quebec - - - 1.30
HALIFAX
and Vancouver $10.00
" Calgary - - - 8.75
" Ottawa - - - 2.80

● NOTE: The above rates are for Station-to-Station Day Messages.

Alberta Government Telephones
Bell Telephone Company of Canada
British Columbia Telephone Co.
Manitoba Telephone System
Maritime Telegraph & Telephone Co.
New Brunswick Telephone Co.
Saskatchewan Government Telephones

THE TRANS-CANADA TELEPHONE SYSTEM

Inter. Paper and Power Revenues for Past Year Provide for All Charges

Book Loss of $8,757,728 Registered in 1932 Accounts

SALES OFF $18,000,000

Bank Loans Are Reduced — No Major Maturities for Another Four Years

From Our Own Correspondent

MONTREAL.—Owing to decline in consumption and price of most paper and pulp products, together with the decline in the demand for primary power, gross sales of International Paper and Power Co. and subsidiary units in 1932 totalled $129,531,271. This compares with $147,695,228 in 1931. No dividends on either the preferred or common stocks of the company were paid during the year, but charges for depreciation and depletion totalling $9,178,452 resulted in a reduction of surplus account for the year of $8,757,728, as against a balance of $618,239 on the same basis for 1931.

In spite of this heavy loss after all charges, cash receipts for 1932 were in excess of all cash outgo for operation, maintenance, interest and other current expense.

Current Situation Unimproved

During the first quarter of 1933 there were no signs of improvement in consumption in the paper and pulp industry. Consumption of newsprint was running about one third below the 1929 level. Prices remained at or close to the low levels prevailing during the last half of 1932. To date in 1933 there has also been a decline in demand for power service, particularly through the New England territory. The current position of the power subsidiaries, however, continues to improve. Some reductions are also being made in the bank debt and through sinking fund payments and minor maturities in the funded debt of International Paper Co. and its subsidiaries.

Book Loss Larger

Particulars of the profit and loss account of International Paper and Power for the past two years follow:

	1932 $	1931 $
Gross sales	129,531,271	147,695,228
Less: Expenses	93,662,078	107,475,391
Add: Prof. on bds. redeemed	1,241,855	411,774
Net revenue	37,111,048	40,631,610
Less: Int. on debt.	21,182,119	16,227,932
Depreciation	8,519,317	7,938,960
Depletion	659,135	....
Amort. of disc.	1,594,342	1,350,372
Res. income tax	1,468,434	1,429,903
Divs. min. stocks	9,427,817	9,559,479
Acc. divds. subs.	1,551,595	....
Min. int. earns.	1,466,018	1,506,736
Net loss	*8,757,728	618,239
Less: Divds. on pfd.	....	1,632,565
Balance	*8,757,728	*1,014,326
Brought for'd	11,961,886	12,976,212
Carried for'd	3,204,158	11,961,886

*Loss.

Paper Output Declines

International reports paper and pulp production last year at 1,821,464 tons, of which 1,193,833 tons represented paper and 127,631 tons pulp for sale. This is the lowest production recorded since 1928. Comparative figures follow:

	Paper tons	Pulp for sale tons	Total paper and pulp tons
1923	537,927	......	537,927
1924	434,288	......	434,288
1925	503,702	75,361	579,063
1926	607,630	132,542	740,172
1927	702,105	131,728	833,833
1928	1,013,832	159,697	1,173,529
1929	1,250,843	165,000	1,415,843
1930	1,333,158	160,969	1,494,127
1931	1,342,794	147,446	1,490,240
1932	1,193,833	127,631	1,321,464

Record Power Production

Output of electrical energy by properties controlled by International Paper and Power Co. totalled 5,623,797,000 kw.h. in 1932, as compared with 5,584,212,000 kw.h. in 1931. This was the largest production ever recorded by the company. Comparative statistics on the electric power output by the different groups going to make up International Paper and Power Co. follow:

	Inter. P. and P. Co. Total Output, kw.h.
1929	4,970,999,000
1930	5,441,623,000
1931	5,584,212,000
1932	5,623,797,000

	Canadian Hydro Output	New England Power Assn. Output
1929	2,097,860,000	2,002,248,000
1930	2,534,522,000	1,887,115,000
1931	2,423,056,000	2,032,905,000
1932	2,537,413,000	2,074,974,000

	Other System Subsid. Output	Inter Paper and Subs. Output
1929	221,561,000	649,340,000
1930	245,913,000	774,073,000
1931	229,219,000	899,032,000
1932	253,755,000	757,655,000

Debt Position Changes

At the end of last year International Paper and Power Co.'s consolidated balance sheet showed total assets of $887,283,354 as against $898,538,081 at the close of the previous year. Funded debt of the company increased during the year from $357,767,794 to $360,940,225. The company has no major item of funded debt maturing between now and 1937. During 1933 there matures $2,227,806 of various obligations.

Fewer Notes Payable

Principal item among current liabilities is notes payable totalling $27,984,246. This represents a decline from $36,321,780 at the end of 1931.

Detailed information on notes payable shows that $22,294,000 represents secured loans of which New England Power Assn. has $4,300,000; International Paper Co., $14,500,000; International Power and Paper Co. of Newfoundland, $2,970,000; and loans of $524,000 by subsidiaries of International Paper Co., secured by inventories and guaranteed by International Paper Co.

Unsecured loans amount to $5,690,246, distributed as follows: North Boston Lighting Properties and subsidiaries, $930,000; New England Power Assn. and subsidiaries, $4,406,081 and subsidiaries of International Paper Co., $354,165.

Preferred Class A stocks of subsidiaries outstanding in the hands of the public increased from $187,940,153 to $188,559,463.

There have been slight increases in International Paper and Power's outstanding capital stock.

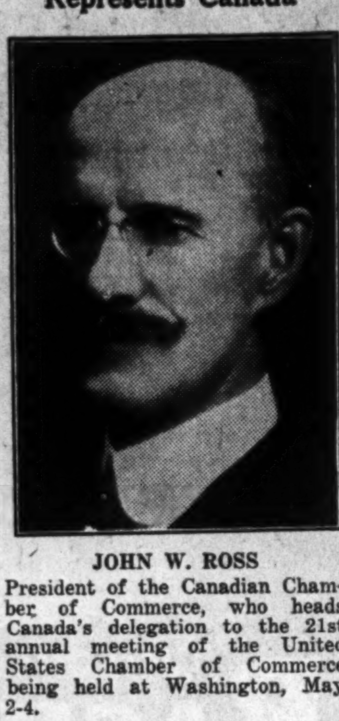
Distribution of Assets

Capital assets of the company have increased from $795,721,082 to $797,246,206. These assets are distributed as follows: power and utility properties, $542,890,633 and paper and pulp and miscellaneous properties, $254,355,573.

As regards plants and properties of International Paper and Power Co., investment in Canadian and Newfoundland Power and utility units is carried on the books at $105,994,447, while paper and pulp and miscellaneous properties in the same area are shown at $105,957,114. In respect to power utility properties, the company's investment in Canada is roughly one-quarter of that in the United States, while in pulp and paper and other properties, the investment in Canada and Newfoundland is roughly $7,000,000 larger than in the United States.

Changes among other items in the balance sheet are relatively unimportant and do not affect the position of the company.

Represents Canada



JOHN W. ROSS

President of the Canadian Chamber of Commerce, who heads Canada's delegation to the 21st annual meeting of the United States Chamber of Commerce being held at Washington, May 2-4.

Comments on Results

In a survey of operations last year, Archibald R. Graustein, president, had the following to say in part:

"An increase amounting to over 6,000 h.p. in sales under primary power contracts took place during the year, the total (including demand from retail consumers) rising to 478,627 h.p. Water conditions which have been unfavorable during 1931 returned to normal during 1932, making available additional amounts of secondary power for sale for production of steam by electricity. As a result total output of these properties rose to 2,537,413,000 kw.h., as compared with 2,423,056,000 kw.h. in 1931.

"Net earnings of these properties after all charges, including depreciation and dividends on preferred stocks held by the public, were $1,978,056, or more than $400,000 in excess of those for 1931.

New England Returns

"The balance on consolidated earnings of New England Power Association after all charges including depreciation and preferred dividends was $2,298,793, as compared to $3,124,273 in 1931.

"Throughout the territory served general business was poor during the entire year. Sales of industrial power have, of course, been falling off for some time and during the last half of 1932 there was also a steady decline in revenues from domestic consumption. Due to the cumulative effects of widespread unemployment and reduced earning capacity this downward trend was still in evidence during the early months of 1933.

"On the other hand, water conditions in 1932 were substantially better than in 1931 and provided a large increase in power available for secondary sales to other utilities. Total production of electricity by the New England Power Association companies in 1932 was 2,075,000,000 kw.h. as compared to 2,032,905,000 kw.h. in 1931. Because of its extensive interconnections with other utility companies the New England Power system was able to market practically all its own surplus hydro power and in addition considerable quantities of hydro-electric power which other systems had available. Such surplus power must, however, be sold at relatively low prices and revenue therefrom was sufficient to offset only in small part the decrease in revenue from primary sales.

Newsprint Demand Off

Consumption of newsprint in the United States and Canada has now declined for three successive years. Consumption in 1932 was 14 per cent below 1931 which was 8 per cent below 1930, which in turn was 6 per cent below 1929. Although production throughout the industry during 1932 was kept in line with consumption and stocks were reduced, prices declined drastically. The initial price for 1932 was $4 a ton below 1931 and a further reduction of $7 a ton became effective later in the year.

Paper Mill Output

"The production of the Gatineau, Three Rivers, Dalhousie and Corner Brook mills was 493,435 tons and the operating ratio was 61 per cent compared with an operating ratio of 54 per cent for all the newsprint mills in North America.

"The output of the Deer Lake hydro-electric station of International Power and Paper Company of Newfoundland, Limited, amounting to 676,924,000 kw.h., was sufficient to operate the Corner Brook mill without the purchase or use of any coal.

Pulp Output 75 Per Cent

"The Kipawa mill, making sulphite pulp as a rayon raw material, averaged about 75 per cent of capacity for the year.

"The Hawkesbury mill, which produces sulphite pulp of grades used by paper makers, operated at about 90 per cent of capacity throughout 1932.

"Decline in prices for all grades of pulp continued during the year and earnings of the bleached sulphite division were lower than in 1931.

"Production of kraft paper by mills of Southern Kraft Corporation showed some decline but this was more than offset by increased production of kraft board. Total output of these mills (including pulp produced for their own use) amounted to 301,231 tons, as compared to 285,077 tons in 1931 and 231,491 tons in 1930. The Panama City and Mobile mills continued to operate substantially at capacity, but operations at the other four mills were curtailed, the Bastrop and Moss Point mills being shut down entirely during a part of the year.

Fine Paper Situation

"Substantial progress was made in marketing the company's new grades of machine finish and super litho papers as well as the new trademark grades.

"As a result the operations at the active mills in this division (Fort Edward, Niagara, Piercefield, Ticonderoga and Tonawanda) were well maintained, total production for 1932 amounting to 102,015 tons, as compared to 101,528 tons in 1931. The 1931 figures include only the relatively small production from the Tonawanda mill subsequent to its acquisition in June that year.

"Sales of bags and sales of toilet tissues produced by the Continental mills were substantially increased. Some new tonnage in specialty papers was also developed. Paper production at mills of Continental during 1932 was more than 7 per cent higher than for 1931. Increased production and improved operating efficiency have resulted in some reduction in the operating losses of the Continental company in spite of lower prices realized for its production.

Few Earn Money

"Under present conditions few newsprint companies are earning any substantial return on their invested capital. Mills representing nearly 70 per cent of the total North American newsprint capacity east of the Rocky Mountains are controlled by seven groups — the International Paper group and its six largest competitors. One of these six competitors had no bonds outstanding. Each of the other five has suspended payment of bond interest and, in whole or part, has either been reorganized or is in receivership or bankruptcy or is in control of bondholders. For the most part these developments occurred when the price of newsprint was higher and the sales volume greater than they are today. With one unimportant exception St. George Pulp and Paper the subsidiaries of International Paper and Power Co., have nevertheless, met all their interest and sinking fund payments, and it is hoped they will be able to maintain this record.

No Upturn Seen

"No upward turn in the affairs of the company can be expected until there is a real improvement in general conditions. The management is making every effort to maintain the company in as strong a position as possible to take advantage of that improvement when it comes."

FUR TRADERS USE AIRPLANES IN FAR NORTH

800 Tons Merchandise, 400 Bales of Furs Carried in 1932-33 Season

From Our Own Correspondent

WINNIPEG—The raw fur trader is rapidly abandoning the traditional and picturesque methods of travel in the far north in favor of the airplane. A thorough canvass of the trade indicates that during the season 1932-33 more than 800 tons of merchandise will have been carried into the remote areas of the Arctic and sub-Arctic by airplane. It is also estimated that by the end of the season more than 400 bales of raw furs will have been brought "outside" by air.

In 1929 these 400 bales of raw furs would have been worth fully $1,500,000 and at current market valuations could be conservatively valued at $500,000. This is only allowing a little more than $1,200 to the bale, which is a very low estimate.

During the same period the Hudson's Bay company alone will have taken fully 400 tons of mixed merchandise into its west Arctic and interior posts. Transport operations of Northern Traders, Revillon Freres, D. F. Simons, Ltd., the Heyers Estate and the smaller "independents" should bring the total up to more than 800 tons for the season.

Started in 1928

These substantial operations are playing an important part in maintaining aerial transport service in the north. And they have been a development of the past five years.

The first commercial shipment of raw furs on record was undertaken in April, 1928, just five years ago by Del Simons when he brought a collection from Sturgeon Landing, Saskatchewan, into The Pas. The first large shipment, however, was arranged by Col. J. K. Cornwall, the famous "Peace River Jim," and landed in Edmonton from the west Arctic on February 5, 1929. It consisted of about $30,000 worth of foxes which were much wanted in New York at the time, and their arrival in Winnipeg several months ahead of the time they would ordinarily have been available, was a memorable business "scoop."

It represented part of the season's "catch" of Northern Traders, Ltd., of which Col. Cornwall was a director at the time.

This increase in the use of airplanes by the raw fur trader is remarkable when the obstacles are considered. One is the lack of wireless communication in the far north which adds tremendously to hazards of travel. But this risk is lightly undertaken by the airways companies operating up there aand their record to date is almost one hundred per cent. As far as can be learned no fur has ever actually been lost.

Obligation to Trappers

A more important obstacle, however, is a factor in the operations of the larger companies. This is their obligation to the trapper in the field. For generations the Indian has been traditionally employed in the summer time to bring out raw furs by freighting canoe. The Hudson's Bay Company and the other larger concerns are not employing the airplane any more than they feel absolutely necessary. As the North develops, however, it is probable that other means of livelihood during the summer will open up for the Indians and other trappers in the higher latitudes and in time the fur trader will no doubt use the airplane almost exclusively.

A large saving is effected by the Hudson's Bay Company in bringing fur out of the west Arctic region by airplane. This is the only area in which it uses aerial transport extensively. The reason for this saving is that otherwise furs have to be picked up by schooner during midsummer, taken through the "northwest passage" around through the Bering Strait, and down the B. C. coast to Vancouver. This involves a heavy insurance cost and delays the arrival of furs on the market by about a year after they are taken.

MacKinnon Steel Omits Dividends on Preferred

From Our Own Correspondent

MONTREAL. — Directors of MacKinnon Steel Corp. have taken no action on the seven per cent dividend on the preferred stock originally payable May 1. Continued declines in building activity have restricted earnings of all structural steel producers; earnings of the company in the fiscal year ended July 31, 1932, were equal to $3.13 a share on the $510,000 of preferred.

That no improvement has been witnessed during the current year was reflected in a cut in the preferred rate to a basis of 3½ per cent with the dividend paid January 27. The preferred stock is the company's senior security in the hands of the public.

MacKinnon Steel Corp. operates a plant at Sherbrooke.

New Establishments Report Activity

During the year 1931 there was an increase of 16 in the number of establishments engaged in the manufacture of women's factory clothing, the total number being 41. The gross value of production in 1931 amounted to $54,140,770. There were 15,648 persons employed who received salaries and wages amounting to $15,018,195.

Mistakes Expensive in Changing Package

Only Ultimate Object of Repackaging is to Increase Sales — Tests of Consumer Preference Can be Made at Small Cost

Repackaging as a Sales Stimulant. Article 3

Costly mistakes can be made when re-packaging a product.

The only ultimate object of changing a package design, as far as the manufacturer of the goods is concerned, is to increase or maintain sales. It should be possible to determinine whether this can be accomplished, through re-packaging, at small cost.

The consumer must be the ultimate judge of a new package design. The president's wife may like it, but the buyer gives the marks; in the form of purchases. Wholesalers and retailers are not always to be trusted to judge the value of re-packaging. They are inclined to approve anything new.

The easy test is to put the old and the new package up for sale under the same conditions. Sales of each should provide the answer. But allowance should be made for a tendency, even on the part of the consumer, to buy the new, simply because of its novelty. A test over a period is best.

Consider Equipment

A Canadian manufacturer recently introduced a new triangular jelly powder package. It is said to have cost thousands in new packaging machinery to make it. Only time can tell whether this investment has been worth while. Most manufacturers cannot afford to take the risk of making such costly changes. Possibly an effective new package design could have been worked out at less cost. This is a case where the expert knowledge of packaging manufacturers could perhaps have been used to advantage. This new package may not be a mistake, but it exemplifies how the available machinery should be considered before changing.

A package designer recently pointed out to The Financial Post that certain labels are not suitable for newspaper reproduction. Adoption of such a label may necessitate another change later to conform with advertising plans. A competent package designer, working in conjunction with an advertising agency, should be able to eliminate possible costly errors of this kind.

A Skyscraper Jar

A marmalade jar placed on the market recently is designed on the modern skyscraper plan. Rectangular and stepped back from bottom to top. It is odd in more ways than one. You can't get the marmalade out of the corners. The manufacturer could have obtained advice on this bottle from package manufacturers or a designer. There is nothing to prevent consultation with a box manufacturer, even though the object of consultation may be a bottle. The bottle maker should perhaps be blamed as much as the marmalade firm for this error in construction. Clearly the design was not tried before using. Most manufacturers of packages are prepared to advise clients on such problems. They have their own designers, in many cases, who may well be consulted, even if their recommendations are not followed to the letter. If, when consulted, the package manufacturer does not ask a good many questions about the product and the use for a proposed new package, look out for trouble.

A case was cited to The Financial Post recently of a new package for shoe polish which is said to have almost put the manufacturer out of business. It was designed like a circus poster. It lacked distinctness and neat style. In desperation, the manufacturer asked a package designer to create another package. It was done at no more expense, but with good effect.

Equipment Again

Another case of failure to use the available package equipment was laid to an artistic new jam bottle recently. A curved top was part of the design. To make it, new machinery would have been necessary. The round top scheme was not used. Fortunately this error in design cost nothing.

A mistake in the use of Cellophane was recently illustrated to The Financial Post by a package manufacturer. A grocery chain was packaging round rusks in Cellophane only. They had a most appetizing appearance. But, being crisp, the rusks broke up in the wrapping, and the resultant loss was more than the product could stand. The package firm was working on a new design in the form of a cylindrical cardboard box with windows; the box to give rigidity, the windows to give a sight appeal. Whether or not the proposed design will be accepted is not known, but it shows how package makers can aid in solving the problems of manufacturers and merchanidisers.

It took five years to take the head off one face lotion package. Merely caution. The maker of the product decided he wanted to remove the head, and did it cautiously by reducing its size each year. Finally there was no head at all. And the public probably never knew it was being hoodwinked. It has been established, however, that such a long period is not necessary to make changes. Complete redesign of a package can usually be effected at one operation, retaining the best features of the old one in the new design.

Whom to Consult

In adopting a policy of caution against re-packaging mistakes, the best first move is to go to the advertising agency. Then the package manufacturer, his sales manager, his designer and his technical men should be consulted. An outside designer may be brought in, either by the package firm or the manufacturer of the goods to be packaged. Only by co-ordination of the ideas of all can the best design be produced.

As a line of attack for the manufacturer or merchandiser, who is contemplating a change of package design, no better group of desirable features for a new package could be cited than the following:

1. Appearance:
   (a) Design balance or harmony.
   (b) Size.
   (c) Shape.
   (d) Typography.
   (e) Illustration.
   (f) Color.
   (g) Style.
   (h) Originality.
   (i) Appeal.
2. Sales value:
   (a) Display value at point of sale.
   (b) Convenience to consumer.
   (c) Advertising value.
   (d) Re-use value.
3. Construction value:
   (a) Protectability.
   (b) Suitability for product.
   (c) Adaptability to production.

These are the principles followed by the judges in determining the best packages designed in the United States in 1932. Undoubtedly they provide the answer to the problems of designing a new package which will sell better.

Use Package to Sell

While caution has been the keynote of this article, manufacturers should not hesitate at least to consider re-packaging as a sales aid. There are dozens of examples of packages in the market today which could compete better for impulse sales if they had a more attractive and suitable exterior.

There is no economy in risking loss of sales through use of a poor dress for any product. The package should be made an aid to sales.

Editor's Note—This is the last of a series of articles on re-packaging as a sales stimulant.

PRUE

Manufacturers of
INDUSTRIAL
and
HOUSEHOLD
Cottons
in Canada
for over
TWENTY-FIVE YEARS

DOMINION
TEXTILE
Company Limited
MONTREAL
TORONTO
WINNIPEG
VANCOUVER

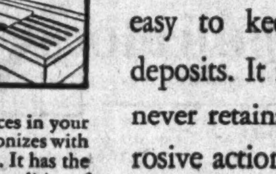
Kettles of
PURE NICKEL
guard the flavor and purity of Campbell's Soups

Five of a group of sixteen 160 gallon Pure Nickel kettles in use in the New Toronto, Ont. plant of the Campbell Soup Co. Ltd. These kettles were made by the Coulter Copper & Brass Co. Ltd., Toronto.

WHEN Campbell's built and equipped their beautiful new kitchens at New Toronto, they showed the same care in selecting the equipment as they constantly use in selecting the vegetables and meats for their quality-famous soups. And so kettles of pure, solid Nickel were ordered to protect the purity and flavor of their product.

Nickel's glass-smooth surface is non-porous and consequently easy to keep scrupulously clean and free from old food deposits. It never imparts a metallic flavor to the product and never retains stale odors. Nickel is highly resistant to the corrosive action of food acids—it will not rust. Being solid clear through there is no coating to chip, crack or wear off. It has the enduring strength of steel.

Use Monel Metal the beautiful Nickel Alloy in your kitchen



Monel Metal, the beautiful, modern Nickel Alloy, is the ideal material for the sink and other working surfaces in your kitchen. Its soft silvery lustre harmonizes with and softly reflects all kitchen colors. It has the rust-proof and corrosion-resistant qualities of Nickel. It has no coating to come off, for Monel Metal is solid metal. Its glass-smooth surface is easy to keep clean. It is strong as steel—supremely durable.

Nickel
PROTECTS BETTER LONGER

Write for information regarding the use of Nickel or Monel Metal for any type of service. Address Canadian Nickel Products Limited, 25 King Street West, Toronto.

CAMPBELL'S SOUPS

CANADIAN NICKEL PRODUCTS LIMITED, 25 King Street West, TORONTO
A Subsidiary of The International Nickel Company of Canada, Limited

INCO NEWS

Interesting new uses of Nickel and Monel Metal in industry and homes.

General Electric Kitchen Institute approves Monel Metal

The Kitchen Institute of the General Electric Company—a new development to provide better and more attractive and efficient kitchens — has definitely approved Monel Metal for the covering of all working surfaces in the model kitchens they design and recommend.

Fifty Aero Cars recently purchased by the General Electric will carry fully equipped model kitchens that include Monel Metal Dish Washer Sinks and Monel Metal working surfaces, tables and cabinet tops.

Nickel Silver Plumbing Fixtures favored the world over

The international aspect of Nickel Silver for plumbing fixtures is indicated by the fact that the new Waldorf Astoria Hotel in New York, the Empress of Britain, pride of the C.P.R. fleet, and the 21,000 ton diesel liner "Aramis" of the Messageries Maritimes are all equipped with Nickel Silver plumbing fixtures.

Food Service Equipment of Monel Metal

In far away Australia, Messrs. Finney Isles and Co. of Brisbane, recently completed a very fine Monel Metal installation in their cafe. This installation was made after three years' experience with their Monel Metal soda fountain.

Canadian Rogers Sheet Metal of Winnipeg, for many years fabricators of Monel Metal, are making a fine cafeteria installation in a local drug store, and are also fabricating kitchen equipment for a Manitoba Government Hospital.

Monel Metal enters architectural field in Vancouver

Monel Metal has made its first entry into the architectural field on the British Columbia Coast, first in the form of a store doorway in futuristic design, trimmed with 16 gauge Monel Metal. This doorway is being constructed by the Terminal Sheet Metal Works Ltd., Vancouver. The second architectural application is in the new home of one of Canada's leading military men, where it is being used in the manufacture of special casement type windows, fabricated by Western Steel Products Ltd.

It is interesting to note that in both these cases the metal has been chosen on account of its strength and rust-resisting and easy forming qualities. Monel Metal is remarkably well adapted to this type of service in the damp and salt atmosphere of Vancouver.

INCO MONEL METAL QUALIFIED FABRICATOR

Only experienced fabricators of Monel Metal display this sign. It is your guide to quality in workmanship and material.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Canada-U. K. Trade At Highest Level In Past 15 Years

Imports Top 1911 Peak While Exports Show Highest Percentage Since 1919 — Five Months' Figures Reviewed

VALUE OF TRADE INCREASED 4.3 PER CENT

Chemicals, Clay Products, Aluminum Lead Gains in Imports from the United Kingdom With Increases in Value—Wheat and Copper Lead Export Gains Over Previous Year's Figures

Definite increases in Canadian imports from Great Britain of steel plates and sheets, chemicals, coals and aluminum and increased exports to that country of copper bars and ingots, wheat and apples, since the Imperial Conference at Ottawa, are revealed by an analysis of trade figures made by The Financial Post. In addition, practically all commodities imported from the United Kingdom form a larger percentage of total imports in recent months compared with a year ago.

The analysis also shows that Canada now does one third of her trade with the United Kingdom, that country taking 42.1 per cent of exports, the highest percentage since 1919, and 23.8 per cent of imports coming from that source, the highest percentage since 1911.

Total trade with the United Kingdom in the period October to February, 1933, amounted to $122,689,000 compared with $117,622,000 in the immediately corresponding period of 1931-32, an actual increase of 4.3 per cent in the face of a 20 per cent decline in total trade for the period. Explained in another way, trade with the United Kingdom accounted for 34.3 per cent of all trade in the 1932-33 period as against 26.3 per cent of all trade in the corresponding months of 1931-32.

Dollar Value Slightly Down

Imports from the United Kingdom were slightly reduced in actual dollar value in the 1932-33 period compared with the previous one, the comparative totals being $36,115,000 and $38,789,000, but the former figure represents 23.8 per cent of imports for the period compared with 19.1 per cent for the latter total.

The increase in chemical imports is typical of the change which has taken place. In the five months ended February, 1933, imports of chemicals from the United Kingdom totalled $1,976,000, or 21 per cent of total imports of this item, while in the five months ended February, 1932, imports amounted to only $1,622,000, or 14.1 per cent of total imports for the period. In the case of aluminum imports, the increase was even more marked, rising from $113,000 to $528,000, and the percentage from 6.3 to 45.1.

In the following table ten of the leading items affected by the Imperial Conference agreements are shown. It will be noticed that, while in some cases imports have fallen slightly in dollar value, in every case the percentage of total imports is greater in the 1932-33 five months than in the previous period.

Ten of Leading Items Affected by Pact
(In Thousands of dollars)

	Change in Gen. Tariff	Change in Br. Pref.	Imports from U. K. Oct.-Feb. 1932-33	Imports from U. K. Oct.-Feb. 1931-32	Percentage Total Exports 1932-33	Percentage Total Exports 1931-32
Alcohol bev.	unch.	down	5,945	7,730	86.3	78.7
Coal	up*	unch.	2,776	1,499	22.8	10.9
Steel plates and sheets†	up unch.	unch. down	2,087	2,039	63.2	47.6
Chemicals	up	down	1,976	1,622	21.0	14.1
Clay and products	up	down	1,030	1,134	58.7	46.3
Woollen yarn	unch.	down	941	998	96.7	92.9
Worsted and serges	unch.	down	814	1,555	94.1	84.8
Books and printed matter	unch	down	764	848	20.4	17.1
Aluminum	up	down	528	113	45.1	6.3
Mfg. leathers	up	down	199	234	46.5	22.0

*Applies to anthracite coal only. †Changes varied for specific lines.

Effect of Pact

The effect of the tariff preferences arranged on British imports at the Imperial Conference on the volume of trade is difficult to gauge owing to the many factors which enter into the picture. For instance, fluctuation of exchanges, the British pound downward and the United States dollar upward would tend to direct buyers to the United Kingdom while, on the other hand, some of the changes made at Ottawa are apparently nullified by the operation of an exchange valuation of $4.86 for duty purposes and imposition of dumping duty.

It is certain, however, that in every instance where some real concession was made to the United Kingdom, imports of that product have increased in percentage compared with the previous year and in many cases the actual dollar value of business done has been greater.

Effect of Drop in Sterling

Some idea of the effect of the reduction in the exchange value of the pound on the imports from that country can be seen in comparing the imports of artificial silk in the two periods under review. This item was not affected by the Imperial Conference agreements and, while total imports from the United Kingdom fell from $684,000 in the 1931-32 period to $527,000, in the later period, the percentage of total imports increased from 44.4 to 56.6.

The fact that exports from Canada to the United Kingdom could increase from 32.1 to 42.1 per cent of the total in the face of the decline in the value of sterling would certainly seem to indicate a closer trading relationship between the two countries. On the other hand, however, there are a number of factors which would tend to direct larger Canadian exports to the United Kingdom.

Half Exports are Wheat

Wheat, for example, which made up 47 per cent of total exports by value in the 1932-33 five months, while undoubtedly influenced by the six cent preference in the British market, was also largely increased owing to the bumper crop of 1932 following the poor 1931 yield. Perhaps the best commentary of the wheat situation is the estimate of the Dominion Bureau of Statistics which shows that, in the period under review, Canada supplied over 55 per cent of Great Britain's needs in this commodity compared with about 20 per cent in the prior period.

Copper bars and ingots show the most startling increase in exports to the United Kingdom, the total increasing from 106,303 cwts. in the five months ended February, 1932, to 594,309 cwts. in the same period of 1932-33. Here again, however, there are influences at work, the increased tariff of the United States effectively shutting off this market from Canadian producers.

In some items, however, no such factors are evident and yet exports to the United Kingdom have increased. Apple exports have increased in volume in the period compared with the prior one while shipments of turkeys, meats, cattle, etc., may be directly traced to closer relationships cemented at the Imperial Conference.

Many Complaints

Despite the action of dumping duty and sterling valuation for duty purposes at the $4.86, some Canadian manufacturers claim that preferences given to the United Kingdom at Ottawa were such as to seriously menace Canadian industry and that increased imports from that country have meant lower production of Canadian factories. On the other hand, British manufacturers have complained that despite concessions they have been unable to obtain the increase in trade with Canada which they were led to believe would be theirs.

In a letter to The Financial Post a Canadian manufacturer of sheet metal points out that this complaint on the part of British manufacturers is unjustified as far as his business is concerned. The United Kingdom's share of the Canadian market for flat galvanized sheets in the latter half of 1931, the letter points out, was 18 per cent while in the latter half of 1932 this had been increased to 33 per cent.

The figures quoted are as follows:

Flat Galvanized Sheets

	Latter 6 mos. 1931	Latter 6 mos. 1932	% Change 1931-32
Imports from U.S.	2,257	607	—73
Imports from U.K.	4,211	6,937	+65
Can. production	16,753	13,573	—20
Total	23,221	21,117	
Per cent of total:			
U. S.	10	3	
U. K.	18	33	
Can.	72	64	

SEEK MORE BONDS OF PRICE BROS. CO.

Bondholders' Committee Issue Circular on Situation

From Our Own Correspondent

MONTREAL. — Following the action of the registrar of placing Price Bros. and Co. in bankruptcy, the Bondholders' Protective Committee has issued the following statement to the company's bondholders:

"Bankruptcy proceedings were brought against Price Brothers & Co. by the Duke Price Power Co. as an unsecured creditor on account of the company's failure to pay current and past-due power bills. Hon. Gordon W. Scott was appointed custodian on March 31, 1933. On April 3 the committee had conferences with the bank creditors and with Mr. Scott, looking to continued operations of the property pending the adoption of a reorganization plan.

"Over 63 per cent of the bonds have been deposited, which includes the bonds held by several insurance companies and other large institutions located both in Canada and in the United States. It is apparent to the Bondholders' Committee that the undeposited bonds are for the most part held in small blocks (average holdings about $4,000 of bonds per holder), and the committee desires again to urge upon the holders of the undeposited bonds the importance of depositing their bonds promptly.

"The situation of the company is now crystallizing rapidly, and it is important that further bonds be deposited with the committee at once, since to take certain action which the committee may find necessary to protect the interest of the bondholders would require the vote of a greater percentage of the bonds than the committee can now speak for."

BRITISH TRADERS ATTACKVALUATION POUND STERLING

Trade With Canada Almost Impossible, They Aver

From Our Own Correspondent

LONDON, Eng. — Comment of British manufacturers on both the dumping duty and the sterling valuation at $4.86, arising out of articles in The Financial Post pointing out the unfairness of both those duties, brings to light a number of interesting points as viewed from their standpoint.

All manufacturers complain that their trade with Canada has been effectively strangled by the action of those duties, some stating that all business has been cut off while others report only a very small amount of trade. The woollen and knit goods trade of the United Kingdom, which has to compete with the Canadian manufacturer over a high tariff wall and which is one of the chief industries affected by the sterling valuation of $4.86, almost unanimously states that goods shipped to Canada are only to supply existing demand which will not be otherwise satisfied and that there is no possibility under present conditions to develop new purchasers.

Raw Materials Imported

One point brought out by a British manufacturer of clothes is that, even assuming that internal prices in Great Britain are slightly below the gold point, quantities of raw materials used in the manufacture of his products have to be imported at gold prices and form a considerable portion of the cost of the finished goods.

Complaints were also registered by manufacturers who claimed that their product did not compete directly with anything manufactured in Canada and yet was dutiable and liable for dumping duty. In the knitwear industry the attitude was adopted that goods from Great Britain always did command higher prices than those of Canadian manufacturers and therefore did not compete with them on that footing.

Characteristic comments taken from comments given The Financial Post are as follows:

Underwear manufacturer: "During the past few days we have had buyers in from two large department stores and they stated that, owing to duty they would have to make their order as small as possible."

Machinery manufacturer: "Both the dumping duty and the valuation of exchange for duty purposes are, in our view, nothing more or less than camouflaged import duties."

Silk importer and exporter: "Prior to the dumping duty we did a nice trade with Canada in the highest grade of silk for facing for evening wear but this trade has been shut off completely."

Furnishing fabric manufacturer: "In our business prices have been reduced by Britain's action in going off the gold standard, yet we are entirely out of the Canadian market owing to the action of the dumping duty and sterling valuation."

Collar and dress tie manufacturer: "We find it much easier to export our goods to the United States under present conditions and, while our trade with Canada has decreased, our sales to the United States have been expanding."

SCOTIA STEEL BONDHOLDERS APPROVE MOVE

Support Effort to Conserve Assets of Maritime Enterprise

From Our Own Correspondent

MONTREAL.—At the adjourned special meeting of Nova Scotia Steel and Coal Co., bondholders' approval was given on the combined efforts of the receiver and liquidator toward maintaining assets of the company.

Approval was given to a resolution resolving "that the report of the receivers and managers be adopted and that in view of the difficult financial situation confronting the receivers and liquidators their combined efforts directed toward maintaining the assets are approved and the meeting approved such action as may be necessary for the carrying on of business with a view to the beneficial winding up thereof if necessary."

Only Possible Salvation

In his report to the bondholders on the cash position of Nova Scotia Steel and Coal, T. F. Tobin, chairman of the Bondholders' Committee, reported:

"On account of the losses which have been incurred since the first activities of your committee, we find ourselves in the unfortunate position of controlling through the court properties which have great potential value, but no cash. Therefore, it is necessary not only for protection of the security holders but for the salvage of the industry to borrow money to save the property and the whole undertaking. The only other alternative would be to put the property on the auction block, which at the present time would be suicidal, not only to the security holders, but also would be disastrous to the many employees who have served the company for years.

"Your committee feel that the only possible salvation of the industry lies in having it carried on by the officers appointed by the court for that purpose pending realization of reorganization of the bondholders' committee."

Report on Operations

The report on operations under receivership from January 19 to March 31, showing a net loss for the period of $56,257.38, was presented to the meeting.

Loss from coal and steel operations after deducting mining and manufacturing expenses totalled $47,970.33, shipping and loading expenses, $7,697.61; selling and administration expenses, $11,348.18.

From the total loss of $67,016.12 thus formed was deducted $10,759.74 as depreciation charged to operations written back, leaving $56,257.38 as the net loss before providing for depreciation, loss on ore operations at Wabana, Nfld.; bond and debenture interest, sinking fund and professional fees and expenses in connection with the receivership.

Urges Nation-Wide Unemployment Plan

Insurance Scheme Costing $120,000,000 Annually Proposed by Dr. H. M. Cassidy — Permanent Body Needed

Advocacy of a Dominion-wide unemployment insurance scheme as one fundamental step toward a solution of unemployment problems in Canada was urged by Dr. H. M. Cassidy in a course of lectures given recently at the University of Toronto on the question of unemployment in Canada. Dr. Cassidy based his argument for a federal unemployment insurance scheme on the fact that he believes unemployment a community responsibility since, by and large, workers were not responsible for unemployment. This fact, he said, made it essential that unemployment in its broader aspects be considered as a community or national problem.

Cost to Canada of the specific unemployment insurance plan recommended as suitable and advisable for Canada would be on the average $120,000,000 annually, according to an estimate by Dr. Cassidy. A fundamental tenet of such a plan, it was pointed out, would be that it must be maintained on a sound financial basis, independent of state subsidies. To achieve this, Dr. Cassidy suggested that the plan be calculated to provide insurance for an average unemployment load of roughly 10 per cent of the wage-earners in the Dominion. Thus, the insurance scheme would not undertake to care for all of the unemployed in periods of grave emergency. An extraordinary excess of unemployment would be looked after by other agencies of federal and local relief and so forth.

Plan Outlined

Coverage included in the scheme should be as wide as possible and should cover as many industries and groups in Canada as could be handled. At first however, Dr. Cassidy suggested that such fields as agriculture, mining, logging and so forth, might have to be excluded due to administrative difficulties. As to the scale of benefits, a plan somewhat similar to the German scheme was suggested which would pay either one-half or two-thirds of regular wages in case of unemployment. Such a scheme, it was suggested, would provide payment of from $7 to $18 per week. Such payments it was suggested, could be maintained on a sound financial basis if a twenty-six-week limit for payment was imposed.

As to contributions, Dr. Cassidy strongly urged a three-fold contribution with employers, employees and state all taking part. Employers, however, he considered should bear the heaviest share of cost and could contribute twice as much as the employee or the state. Thus for every $2 put up by the employer, it was suggested that employees contribute $1 and the state $1.

Favors Merit Rating

Actual contributions as between various industries should vary on the basis of merit as is now the case in workmen's compensation coverage. Thus, if the average contribution of all contributors to the insurance fund approximated between 3 and 3½ per cent of the total annual wage bill then contributions of individual groups would vary between 1 and 5 per cent. Thus, in industries where unemployment was particularly heavy the fund, it was thought, should be maintained on say a 5 per cent basis whereas in industries with a good record for employment, the total charge to employer, employee and the state would be perhaps only one per cent of total wage-roll.

Merit rating plans within groups as an encouragement to individual industry might also be worked out, he suggested. This would tend to aid and encourage firms to maintain a good record for employment from year to year.

World Experience

In reviewing different types of unemployment insurance which had been tried in different countries of the world, Dr. Cassidy discussed the three main types which had been devised, namely, those which were private or voluntary; those of a semi-public nature such as the Ghent scheme, and those which were public and compulsory. Private and voluntary schemes he pointed out, were only of limited importance. Their great weakness being the fact that the spreading of the risk was very limited. Individual firms in the agricultural implement industry, for instance, under a private or voluntary scheme would be called upon to bear the heaviest burden due to the regular recurrence of the business and agricultural cycle as a result of poor crops which affect the industrial activity of this type of plant.

Similarly with semi-public plans under which some 3,000,000 workers were employed throughout the world and whereby sums were contributed roughly on a 50-50 basis by the state and the workers without any contribution from the employer, he pointed out that a weakness of this plan was that only part of the working force of a community or country were covered—usually those who needed it least. Furthermore, he pointed out that division of administration among local units was a distinct handicap.

Urges Federal Board

Stressing the fact that unemployment insurance schemes were only one of many things which must be done to successfully combat the social evil of unemployment Dr. Cassidy urged that a federal unemployment commission in the form of a permanent national board be set up. Such a board, he thought should be chosen for its capacity rather than as representing different classes or groups in the community. It should be surrounded by an advisory committee representing labor, management, investors and all other interested groups, and also by a staff of expert statisticians, industrial engineers, and so forth, thoroughly competent to advise and carry out the plans formulated by the national board.

Such a board he considered should have wide powers and scope covering such matters as the control (if necessary) of immigration; the long range planning of public works; regulation of working hours; a unified programme of social insurance and relief as a line of secondary defense for unemployment insurance; vocational training and so forth. One immediate task before such a board, thought Dr. Cassidy, would be the immediate extension and improvement of the federal employment service as now constituted. This, he considered, would be essential to the introduction of a nation-wide insurance scheme. Dr. Cassidy suggested that compulsory reporting of vacancies in industry should be instituted in order to achieve effective co-operation between the activities of the board and the operation of any unemployment insurance plan.

National Financial Control

Touching on financial factors, Dr. Cassidy indicated that the activities of the board might even extend into the international realm of the gold standard, credit, tariff, trade treaties and so forth as these matters affected unemployment within the Dominion. He expressed his own personal belief that the old days of laizzez-faire were dead and that some type of economic planning not only in regard to unemployment but in regard to financial and industrial matters was essential. He suggested that perhaps a national board for the maintenance of orderly investment "to keep business on an even keel" might be necessary in order to mobilize credit, prevent speculation and exploitation and generally prevent the financial excesses which had in the past been to such a large degree responsible for industrial and hence unemployment problems.

An unemployment policy for Canada, he thought, should recognize the fact that unemployment could be traced to no single cause, neither could it be cured by any single remedy. Expert advice, careful and detailed studies he considered essential if any permanent progress was to be made in the future.

Economic History Repeats Itself

Wisdom and Fallacy Down the Ages

* * * *

ARISTOTLE ON UTOPIAS

"Men readily listen (to Utopias) and are easily induced to believe that in some wonderful manner everybody will become everybody's friend, especially when someone is heard denouncing the evils now existing — which are said to arise out of the possession of private property. These evils, however, arise from quite another source—the wickedness of human nature. Political science does not make men, but must take them as they come from nature."

—From "Politics", by Aristotle (384 B.C-322 B.C.)

* * * *

BRITISH PESSIMISM IN THE EARLY 1800'S

William Pitt said: "There is scarcely anything around us but ruin and despair."

Wilberforce, in the early 1800's, said: "I dare not marry, the future is so dark and unsettled."

Lord Grey, in 1819, said he believed "Everything is tending to a convulsion."

The Duke of Wellington on the eve of his death, in 1851, thanked God he would "Be spared from seeing the consummation of ruin that is gathering about us."

Disraeli, in 1849, said: "In industry, commerce and agriculture there is no hope."

Queen Adelaide said she "Had only one desire, to play the part of Marie Antoinette with bravery in the revolution that was coming on England."

Lord Shaftesbury (1848): "Nothing can save the British Empire from shipwreck."

As a footnote to the above, which has been quoted frequently of late, the following letter from a recent issue of the London Times is interesting:

* * * *

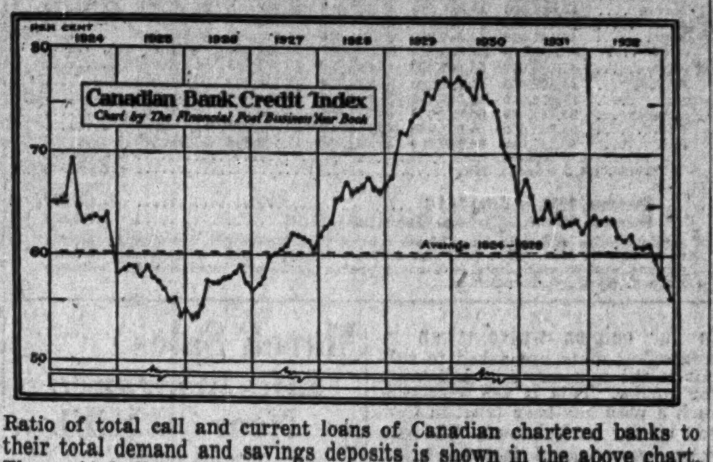
Sir,—I read in your issue of today a report of Sir Josiah Stamp's speech to the Bromley Chamber of Commerce and notice that he numbers my great-grandfather, William Wilberforce, among the pessimists of the past whose gloomy forebodings were not to be fulfilled. Sir Josiah is reported to have said: "Wilberforce in the early 1800's said, 'I dare not marry, the future is so dark and unsettled.'" He had another and a better reason; he was already married, in 1797. I am confident that Sir Josiah does not wish to suggest that my ancestor ever contemplated bigamy.

JOHN WILBERFORCE.

* * * *

The quotation from Aristotle is supplied by W. H. Burr, Toronto.

Bank Loan Ratio Declines Sharply



Ratio of total call and current loans of Canadian chartered banks to their total demand and savings deposits is shown in the above chart. The rapid decline of the ratio in the last four months available may be the prime factor in causing the latest reduction of dividends of The Royal Bank of Canada, The Canadian Bank of Commerce and Bank of Montreal. Money received from reduction in loans has been used by the banks for investment, chiefly in government securities. As the return on such investments is considerably less than on loans, earnings are affected adversely. By this process, banks have been growing more liquid at the expense of their earnings.

Decline in World Trade 34 per cent in Past Year

World trade declined 34 per cent in value and 26 per cent in volume in 1932 compared with the previous year, according to a compilation made by the United States Department of Commerce, the aggregate turnover, in part estimated, being approximately $26,160,000,000 in 1932 as against $39,597,000,000 in 1931. World trade prices, as distinguished from local prices, averaged about 10 per cent lower in 1932.

In the following table exports and imports for 45 countries which do over 90 per cent of the world trade and for the whole world are shown for the past three years. World figures include the trade between Great Britain and the Irish Free State but do not include German exports on reparation account.

Foreign Trade
(In millions of dollars)

	1932	1931	1930
45 Countries:			
Exports	11,030	16,651	23,283
Imports	12,444	18,767	25,904
Total trade	23,474	35,418	49,189
The World:			
Exports	12,385	18,753	26,080
Imports	13,775	20,844	28,841
Total trade	26,160	39,597	54,921

Canada Stands Seventh

Canada ranks seventh in total trade among world countries, maintaining the position reached in 1931, United States, United Kingdom, Germany, France, Belgium and the Netherlands leading in that order. Canada is in fifth place as an exporting country being above Belgium and the Netherlands in this standing.

The ratio of the decline in the aggregate trade of the 45 leading countries does not vary to any extent from the decline in world trade.

Exports declined 33.8 per cent and imports 33.7 per cent compared with 33.9 per cent for all countries; these percentage declines are also generally true of individual countries. The Phillipines, with its open market in the United States, makes the best showing, losing only 9.3 per cent in exports and 20 per cent in imports. The trade of Australia, New Zealand and Brazil, which had declined largely in preceding years, likewise shows a relatively small decrease in 1932. France, Switzerland, and a few other countries where the ravages of the depression have been less severe than elsewhere, show larger decreases in exports than in imports.

Canadian Trade

Canadian exports declined 25.5 per cent, a somewhat better showing than the world figure, but imports were off 34.7 per cent as compared with a world figure of 33.9 per cent.

Foreign Trade of 20 Leading Countries
(Ranked According to Total Trade)
(In millions of dollars)

	Exports 1932	Exports 1931	Imports 1932	Imports 1931
United Kingdom.	1,459	2,071	2,465	3,901
United States	1,612	2,424	1,328	2,090
Germany	1,363	2,193	1,108	1,602
France	772	1,198	1,169	1,656
Belgium	412	643	452	660
Netherlands	340	527	522	761
Canada	442	595	399	611
Japan	396	566	402	610
Italy	349	532	424	607
Br. India	364	573	352	464
U. S. S. R.	290	418	360	569
Argentina	331	426	215	245
China	168	314	357	492
Switzerland	148	258	330	428
Australia	268	321	186	197
Czechoslovakia	217	388	221	347
Denmark	213	336	216	368
Sweden	175	288	212	363
Spain	148	186	188	227
Austria	106	182	194	304

Paper Output Off 13 Per Cent Current Year

From Our Own Correspondent

MONTREAL. — Production of newsprint of Canada in March amounted to 137,078 tons and shipments were 140,694 tons. Output for the three months of 1933 was down 18 per cent compared with the same period a year ago, according to figures released by the Newsprint Service Bureau.

United States production in March was 75,566 tons and shipments 77,857 tons, making a total United States and Canadian production of 213,644 tons and shipments of 218,551 tons. In the same month 21,381 tons of newsprint were made in Newfoundland and 1,478 tons in Mexico so that the total North American production was 236,503 tons in March.

In the first quarter of the year U. S. output was down 18 per cent; Newfoundland showed a drop of 7 per cent and Mexico had a marginal increase making a total decrease of 18 per cent in North American production compared with the first quarter of 1932.

Stocks of newsprint at Canadian mills were 50,872 tons the end of March. Total North American stocks were 73,877 tons down from 78,784 at the end of February.

BETTER WEATHER STIMULATES TRADE

Easter Buying Falls Short of Expectations, However

Halifax.—Wholesale trade still below normal. Retail merchants generally report a small increase in sales during the past week-end due to Easter trading. Trade during the week, however, only fairly satisfactory. Collections poor.

Saint John. — Wholesalers report trade still continues below normal. Retail merchants report a slight improvement on account of Easter season. Collections slow.

Montreal. — Wholesale groceries continue in fair demand; dry goods slightly improved; wearing apparel, boots and shoes and millinery lines fairly active during Easter season. Retail trade, both city and country, report volume still remains below normal season's demands. Collections fair to poor.

Toronto. — Millinery and ladies' wear lines quite active owing to Easter season. Men's clothing houses working on fair production schedule. Building trades still quiet except for repair work. Automotive industry advise fair turnover in new cars and second-hand cars moving reasonably well. Produce prices show slight improvement. Collections slow.

Winnipeg. — Grocery and produce lines in fair demand. Millinery and ready-to-wear lines showing more satisfactory results due to Easter buying and warmer weather. Boots and shoes moving moderately well. Collections fair on current accounts, poor on old outstandings.

Regina. — Wholesale trade report fair volume continues in groceries. Dry goods quiet; hardware fair. Retail trade, both city and country, continues very quiet. Collections: wholesale, on current accounts only; retail—city, fair to slow; country, practically nil.

Moose Jaw.—Wholesale and retail groceries fair; wholesale and retail hardware and wholesale boots and shoes fairly good. General retail business fairly good. Collections fair.

Saskatoon. — Wholesalers report fairly steady volume being maintained in grocery lines; dry goods fair to good. Hardware report very little change; boots and shoes trade remains fair. Retail trade report sales as showing some improvement, due to seasonal demands. Collections fair.

Calgary.—Wholesale, retail grocery lines showing satisfactory volume under existing conditions. Slight improvement reported in ladies' wear, boots and shoes and millinery lines. Collections slow.

Edmonton.—Wholesalers generally report business better for the past week. Retail trade, particularly millinery and wearing apparel, disappointing owing to unfavorable weather. Collections remain unchanged.

Vancouver. — Slight improvement noted in both wholesale and retail trade due to the movement of seasonable goods. Noticeable improvement also reported in the hardware line, as well as food commodities. Automobile business report slight improvement due a great deal to better weather conditions. Collections fair and slow.

To Build Model Grain Elevator

An exact replica of a standard grain elevator will be one of the feature exhibits at the forthcoming World's Grain Exhibition and Conference at Regina. The exhibit will form part of the display of the Searle Grain Company and the model will be constructed by the company's building superintendent.

CUT INTEREST BANK SAVINGS, NOT ON LOANS

Banks Say Bulk Saving Doesn't Allow Cut in Loan Rates

MUNICIPALITIES GAIN

Economists Say Banks Will Not Lose in Total Deposits — Bonds Not Affected

Official announcement of the reduction of bank interest on savings deposits, from three to 2½ per cent, has now been made, and will become effective from May 1. This brings the rate to the lowest point yet recorded in the relatively short history of Canadian banking.

No change is being made in 1½ per cent rate on certain demand accounts, it is understood.

There is little possibility of substantial change in commercial loan rates of chartered banks at present, due to the cut in savings interest, The Financial Post is informed. Bankers point out that they are making no change in the rate paid on commercial deposits. The bulk saving on the cost of deposits to the banks, they say, does not allow of much adjustment in loan rates. The Financial Post has estimated this bulk annual saving at $5,000,000 per annum under the 2½ per cent rate, as compared with the former three per cent rate.

Good municipal and government borrowers will be the only class of bank debtors to receive early adjustment of interest rates on loans, it is understood. Bankers appear to feel that by the time such rates have been adjusted there will be little, if any, cut in their costs of money which they could pass on to commercial and industrial borrowers.

Can't Lose Deposits

Economists offer comfort to bankers, some of whom may have expected to lose deposits because of the reduction of the savings rate. If Americans, who are substantial depositors in Canada at present, were to transfer their Canadian deposits into United States funds, there would be no loss of deposits in Canada, the economists say. Someone would have purchased the Canadian dollars, when the Americans who withdrew their accounts sold them to buy U. S. dollars. There would be deposits from those who took over the Americans' Canadian dollars.

In brief, the economists state that there could be no disappearance of money and deposits, but that transfers would be reflected in the exchange rate. A drop in the exchange would then be a strong influence tending to keep Americans from transferring their Canadian money.

Haven't Cut Enough

Doubt is expressed by investment bankers as to the hoped for reduction of yields on government bonds, as a result of the cut in the savings interest rate. "The move hasn't gone far enough," one leading dealer told The Financial Post. "The difference between a four per cent coupon rate and a 2½ per cent savings rate is not large enough to have the desired effect on yields," he said. Whether or not the effect is all that Ottawa would like, there may be a conversion loan of about 400 millions in Canada this year.

The success of the British Conversion loan in the summer of 1932 undoubtedly caused consideration of adoption of a similar low interest rate policy in Canada. The complete inside story of how the change came about has not yet been disclosed. Perhaps it won't be told for many years yet. But it is known that banks, security dealers and the Dominion Government all played a part.

Weir Proposed It

J. G. Weir, president of the Investment Bankers' Association, was in England in the late summer of 1932, and he wrote to his firm in Toronto suggesting that a change from three to two per cent in the bank rate on savings in this country might help long-term financing here. The thought was suggested to him by the success of the British conversion, which was the talk of the City of London, and indeed of the world, at that time.

When the dapper, gray-haired, blue-eyed, Mr. Weir returned to Canada last autumn, he found that the banks had already considered changing their rate on deposits. On one occasion he made a trip to Montreal, chiefly for the purpose of discussing the matter with the large banks there, and found that they had already thought of it. In the meantime, Ottawa had apparently taken more than a mere academic interest in the British loan.

The banks, in considering lowering their rate on deposits, may have been influenced by their growing need for some adjustment to help maintain their spread between interest paid and interest received. This spread has been narrowing because of the increasing proportion of bank assets invested in low-yield government securities. But the cut in the rate may not help the banks much, since governments and municipalities may be the real gainers through adjustment of the rates charged on their bank loans.

Government Wanted It

The reasons for the government's interest in lower rates is obvious. Interest on government debt forms one of the largest "uncontrollable" items in the federal expenses. Ottawa is hoping that the new 2½ per cent rate may help materially in refunding 400 millions of 5½ per cent bonds maturing in 1933 and 1934. It is hoped

(Continued on page 13)

Insurance for Buyer and Seller

NON-TARIFFS AGAIN CUT AUTO RATES

Ontario Drivers of Passenger Cars Get Breaks in Battle

Leading non-tariff firms in the automobile insurance field in Ontario put powerful competitive ammunition in the hands of their agents this week when they announced drastic reductions and changes in passenger auto insurance rates in that province. Printing presses were kept working overtime as new manuals appeared from several companies or company groups. Other firms confined their rate changes to a mimeographed memoranda to accompany manual rates.

Most firms admitted frankly the changes were introduced to give non-tariff firms their customary margin against "tariff" rates. This margin was sadly impaired two weeks ago when tariff companies, members of the Canadian Automobile Underwriters' Association announced sweeping rate reductions to Ontario passenger car motorists. —an important competitive gesture in an attempt to regain business from non-tariff competitors. One firm maintained that their changes had been contemplated for some time and that the rate-cutting by tariff companies had merely forced their hand more quickly.

Various Rates Shown

Effect of the changes is clearly seen in an analysis made The Financial Post of actual premium rates which drivers of specific cars will now pay. The comparison covers both tariff and non-tariff schedules and shows comparative premium costs before and after the recent cut. New rates including the maximum reduction now allowed to "careful" drivers under the merit rating or no claims bonus plan are also shown. Insurance on a standard Chevrolet for instance including public liability, property damage, fire and theft and collision insurance on a $100 deductible basis which a few weeks ago cost $46.35 on a straight "tariff" basis can now be obtained on a non-tariff basis at about $32 and even cheaper if the insurer can prove a clear 5 year record as a careful driver.

Comparative rates on the Chevrolet and the Pierce Arrow as compiled by The Financial Post are as follows:

CHEVROLET (Standard)

	Old $	New $	Max. Merit Rating† $
Tariff Rates	46.35	41.20	36.00
Shaw & Begg	39.00	33.00	33.50
Wawanesa*	38.00	31.50	31.50
Portage La Prairie*	37.00	31.90	31.90
Can. General	45.70	41.20	30.90
Pilot	38.00	32.00	32.00
Lumber Mutual*	46.35	41.20	36.00

PIERCE ARROW

	Old $	New $	Max. Merit Rating† $
Tariff Rates	104.50	86.75	78.35
Shaw & Begg	91.00	74.50	74.50
Wawanesa*	90.00	73.00	73.00
Portage La Prairie*	87.00	73.30	73.30
Can. General	104.50	86.75	66.05
Pilot	83.00	66.00	66.00
Lumber Mutual*	104.50	86.75	78.35

†Given only by Tariff Companies; the Canadian general group and Lumber Mutual.
*No dividends deducted.

Although all non-tariffs have cut their rates following the tariff company slash effective April 15, the method of approach has not been uniform. Shaw & Begg group for instance has entirely revised its public liability and property damage schedules the reductions ranging from 50 cents to $2 in public liability and from 50 cents to $1 in property damage. Fire and theft premiums appear to have been cut on the average about 15 per cent (similar to the tariff company reduction) while 10 to 30 per cent reductions have been made in collision coverage—also in line with the new tariff company premiums.

Changes in the public liability and property damage rates have doubtless been made to offset the no claims bonus which tariff companies are now offering to careful drivers who have a clear record in these two categories. Shaw & Begg have not adopted the merit or no claims bonus plan, but their new manuals contain the provision that the company reserves the right to "demerit" or add a surcharge of from 10 to 30 per cent to P. L. and P. D. rates on any risk "on account of unsatisfactory claims experience, request for financial responsibility certificate or any other cause, which in our opinion warrants an increase." Agents are asked to submit to the company any such cases for rating. This is the first time such a plan has been tried in Canada as far as is known. The new rates were issued last week-end, effective April 15.

Wawanesa & Portage La Prairie, big western mutuals have announced flat rate changes in their previous manual rates. Portage has cut $1 from all public liability rates in all three areas in Ontario and also 10 per cent from fire and theft. Collision rates are lowered the same as tariff companies, namely 10, 20 and 30 per cent according to the size of the deductible cover. In territory B (18 large cities exclusive of Toronto, Hamilton and Windsor) a cut of 50 cents is made in property damage premiums.

Wawanesa has made flat P. L. and P. D. cuts ranging from 50 cents to $2, the largest reductions being on larger cars in cities and towns. Reductions of from 50 cents to $2 are also made in public liability premiums for farmers — a separate classification maintained especially for this company. Fire and theft premiums are down 15 per cent and 10 to 30 per cent reductions made in collision.

Reductions corresponding fairly closely to those noted above are now being made by Pilot Insurance Co. in manuals which are being sent to agents this week. One feature of the rates charged by Pilot, Wawanesa and Portage is that for the "guest" passenger hazard for which only 50 cents is charged by all other companies, these firms now charge $1.50.

Canadian General Charges

Changes announced by the Canadian General Insurance group include an extension of the merit rating plan originally announced by this company two years ago and cuts in fire and theft and collision rates corresponding to that of the tariff companies. This company which pioneered in merit rating in Canada now extends this to fire and theft coverage in Ontario as well as to collision and public liability and property damage. The rating allows 10 per cent for motorists with a year clear record; 15 per cent for two years; 20 per cent for 3 years and 25 per cent for four years without a claim. Merit rating for commercial vehicles has been increased to 20 per cent when a clear record for three years is shown. Officials of the company claims they had planned to extend this merit coverage this year, although they admit the change came more quickly than had been anticipated, owing to the pressure of the tariff company cut.

Lumbermen's Mutual also announce an important change in rates. The company will continue to write business at tariff rates but will allow only a 20 per cent "dividend" to policyholders on P. L. and P. D. collision coverage, as compared to 25 per cent formerly paid. On fire and theft a 30 per cent dividend will be paid as formerly. The company has also extended its merit rating originally introduced on March 1. The new plan allows a 5 per cent reduction for a year clear performance; 10 per cent for 2 years; 15 per cent for 3 years and 20 per cent for 5 years.

Ultimate result of the new rates on the business is still problematical. One leading non-tariff manager has declared that the new low rates are still "livable." Other managers express the opinion frankly that the present scale of passenger car rates in Ontario is far below cost and that all companies will lose money heavily if they continue to write business in any considerable volume. Certain it is that the new rates as announced by non-tariff companies has virtually eliminated the bulk if not all of the gain made by tariff companies as a result of their move of two weeks ago.

Ordinary Life Insurance*

	1928	1929	1930	1931	1932	1933
January	$47,569,000	$49,789,000	$45,074,000	$41,188,000	$37,331,000	$29,367,000
February	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000	26,323,000
March	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000	29,763,000
April	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000	....
May	49,581,000	50,547,000	48,871,000	41,314,000	30,998,000	....
June	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000	....
July	49,492,000	54,309,000	46,505,000	39,977,000	34,469,000	....
August	43,503,000	41,329,000	36,249,000	35,738,000	28,370,000	....
Sept.	38,872,000	48,013,000	38,994,000	30,066,000	25,207,000	....
October	55,743,000	50,394,000	44,527,000	36,006,000	29,858,000	....
Nov.	54,865,000	55,624,000	46,186,000	38,860,000	34,008,000	....
Dec.	56,647,000	54,189,000	49,026,000	47,163,000	33,483,000	....

Total, 1st 3 months, 1933 .... $85,453,000
Total, 1st 3 months, 1933 112,943,000

Decrease, 1933, to date, 24.3% 27,490,000
Decrease, March, 1933, from March, 1932, 20.5% 7,704,000

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1932. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

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March Sales Life Insurance Near 30 Million

Sales of new paid for ordinary life insurance totalled $29,763,000 in March according to figures released this week by the Life Insurance Sales Research Bureau of Hartford. This is a decline of 20.5 per cent from the corresponding figure of a year ago. Compared with similar figures in the United States, the Canadian sales volume again made a better showing for March, ordinary sales in the U.S. having dropped 26.5 per cent from a year ago according to figures published by the Association of Life Insurance Presidents.

Analysis of Canadian business for the first quarter of 1933 shows total sales of $85,500,000 as compared with $113,000,000 in the first quarter.

March sales by provinces are as follows: Alberta, $1,163,000; British Columbia, $2,065,000; Manitoba, $1,791,000; New Brunswick, $812,000; Nova Scotia, $1,219,000; Ontario, $12,461,000; Pr. Edward Island, $56,000; Quebec, $9,222,000; Saskatchewan, $812,000; and Newfoundland, $162,000.

LIFE INSURANCE GETS PUBLICITY AND WIDE PRAISE

Leaders Pay Tribute in All Parts of Canada in Past Week

Life insurance got thousands of columns of newspaper publicity last week as a result of the "Financial Independence Through Life Insurance" week undertaken cooperatively by all companies on this continent.

The Financial Post has culled from some newspaper clippings a few of the many interesting comments made by leaders in and outside the business at various functions held to observe this campaign.

J. H. Lithgow, president, Canadian Life Insurance Officers' Association: "It must be remembered that life insurance is not a commodity, but is a promise to pay money, and, if we consider the fall in the price of commodities and the cost of living, we will find that the amount of new life insurance being sold, measured in terms of its purchasing power, is still on the increase. This is, to my mind, conclusive evidence of the fact that life insurance continues to grow in public favor, that public confidence therein has not been lessened but has increased under existing conditions, and that any improvement in those conditions will bring with it immediately increased sales."

William Wallace, Confederation Life, and secretary of working committee in charge of campaign: "The case itself is a strong one. Only close students of economics can fully appreciate the stabilizing effect of life insurance during these recent years of unsettled business, but thousands of policyholders and beneficiaries in the Dominion can testify, from personal experience, to the salutary part played by life insurance in their individual affairs.

"During the years 1930-31-32, companies operating under Dominion license in Canada have paid $335,000,000 to living policyholders and $125,000,000 to beneficiaries; and all obligations have been met one hundred cents on the dollar. Last year alone, life insurance 'fathered' 22,000 families deprived of their breadwinners."

F. T. Stanford, Canada Life: "The thrifty man has had his faith shaken of late years, having lost some of his savings through no fault of his own, but the public have confidence in our life insurance companies and in the banking system of Canada, and thrift is still in vogue."

W. Carlisle, Superintendent of Agencies, Mutual Life of Canada: "If one has a well balanced life insurance programme he can absolutely guarantee during his lifetime a fulfillment of his life plan regarding those dependent on him. There is a policy for every need. When the investment market had such an appeal in 1929 a great many men saw their life savings pass out of the picture in the twinkling of an eye. Replacement of the principal of their estates was out of the question and they then turned to life insurance as the only institution by means of which they could rebuild their estates."

Professor A. L. Phelps, Winnipeg: "Life insurance is a demonstration of man's powers to think for himself in terms of the coming years."

W. L. MacTavish, editor, Winnipeg Tribune: "The time can be envisaged when the whole nation through life insurance could achieve financial independence. You pay 100 cents on the dollar for it, and get as nearly perfect security as this world affords, and as high an interest rate as any investment should carry. In addition, you get comfort and peace of mind obtainable in no other way.

"What other form of investment, after three years of falling prices, is still on a basis of 100 cents to the dollar."

F. W. Hobson, assistant superintendent of agencies, Imperial Life: "There is not any one best company in Canada. No Canadian policyholder, and there are nearly 7,000,000 policies in force at the present time, has lost a dollar through any Canadian insurance company. That is our proud boast and I say again that there is no best Canadian company, not even my own."

Steele MacKenzie, Western Ontario supervisor, Dominion Life: "The business is still in its infancy, there will be developments in the future beyond our present comprehension. Life insurance companies distributed on this continent last year 26 times as much as was distributed by all relief agencies combined. If turned into dollar bills placed end to end the amount would encircle the globe ten times."

Saint John Insurance Firm Boasts Ancient Lineage

(Saint John Times-Globe)

Fat George III sat on the throne of England; short, swart Napoleon was throwing his armies out over Europe; John Jacob Astor was laying the corner stone of his fortune with furs in little old New York; George Washington had been dead but two years; over in London town "Gentleman" Jackson was teaching the rudiments of scientific self-defence to the young bucks of the day, having just recently reliquished the heavyweight championship of the world. In this year—1801—one Munson Jarvis, United Empire Loalist, started an insurance business in the British-North American city Saint John, an up-and-coming port and shipbuilding centre.

It was, his descendants believe, the first enterprise of its kind in the continent. It preceded the first permanent bank of the Dominion by 16 years.

Munson Jarvis' insurance risks were mostly ships. And the ships were insured more against pirates than storm and other navigation hazards. By 1802 he was doing a thriving business. There is still in existence the page of an old account book headed, in copper plate scroll, "Dr—Munson Jarvis Esq.—Insurance Account—with Andrew Crookshanks, Broker—Cr—"

This lists the amounts paid by premium on the following vessels: Schooner Mercury, schooner Phoebe, brig Industry, sloop Rebecca, schooner John and Ann, schooner Betsy, brig Mary, sloop Union, brig Friends, schooner Jane, brig William, brig Atlantic, brig Mary, schooner Lady Carleton and brig Venus.

Still Doing Business

C. E. L. Jarvis and Son, Ltd., 74 Prince William street, now one of the best-known insurance firms in the east, developed directly from those early insurance transactions of Munson Jarvis, who came to Saint John in his own sailing vessel the Mary Ann, in 1783. Ralph Munson Jarvis his son, carried on the business started by his father.

Next came Ralph Munson Jarvis' son, Col. Edward L. Jarvis. In the office of the present firm hangs a policy signed by him as president of the New Brunswick Insurance Company in 1847. It is also signed by William H. Scovil and S. L. Tilley, other directors of the company. Col. Jarvis later moved to Newfoundland as general agent of the Insurance Company of North America. His daughter, Isabel, married Sir William Bowering, baronet, who moved to Liverpool and became vice-chairman of the Liverpool and London and Globe Insurance Company.

C. E. L. Jarvis, who incorporated the firm under its present name, C. E. L. Jarvis and Son, Ltd., a son of Col. Jarvis, when still in his early twenties, at the close of the Civil War, was appointed Provincial Agent at Saint John by the Queen Insurance Company. A year later, in 1877, fire swept over part of the city. The loss to the Queen Insurance Company was $750,000—in those days an exceptionally heavy claim, but it was paid promptly. In order to facilitate payment, the Queen Insurance cabled the Bank of Montreal at Saint John to give the agency here unlimited credit. The incident made a favorable impression in Saint John greatly adding to the prestige of fire insurance.

Sponsored Underwriting Board

C. E. L. Jarvis was an important factor in the formation of the New Brunswick Board of Fire Underwriters, which has the distinction of being the oldest such board in Canada to foster the policy that specific rates were more equitable than general minimum ratings. Mr. Jarvis made a specific tariff of Fredericton in 1871. At that time, which predates specific ratings in other parts of Canada by almost 25 years, he was secretary of the board, without salary.

When C. E. L. Jarvis died in 1918 the conduct of the business went into the hands of E. L. Jarvis, the present managing director.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Dominion Gresham

Have you any information as to the progress being made in winding up Dominion Gresham Co.? It seems to me that creditors should receive a dividend soon.

Though liquidation of the estate of Dominion-Gresham Guarantee and Casualty Co. has been a long-drawn proceeding, we are informed that progress was made last year. The liquidator will issue an interim statement at the close of the fiscal year, May 31, 1933; until that time details of the situation are not available. We are informed, however, that there are still some important law suits pending. As you will remember, a dividend was expected last year, but this has not been forthcoming. Liquidators hold out tentative hopes that some disbursements may be made during the current year.

Insurance Inklings

WILLIAM PHILIP, manager of the Royal Bank at Galt, Ont., has been elected a director of the Gore District Mutual Fire Insurance Co. to succeed the late F. S. Jarvis.

J. H. MULHOLLAND has been appointed agency manager at Hamilton, Ont., for the Northern Life Assurance Co. Mr. Mulholland was formerly in the insurance business in Toronto.

C. G. ROSS was elected president of the Canadian Board of Marine Underwriters at the annual meeting held on April 12. Other officials elected were: C. E. Bickerdike, vice-pres.; A. E. Powis, Jr., chairman of executive committee; Robert Hampson, C. H. Hanson, J. L. McCulloch, D. M. Paterson on the committee; R. L. Charlton, treas.; H. C. Beatty, secy.

WILLIAM D. MAIR, Regina manager of the Imperial Life Assurance Co. has been appointed Southern Alberta manager to succeed H. K. Hunt, who will manage the company's office at Hamilton, Ont.

HYNDMAN & CO., LTD., Prince Edward Island managers for the Great-West Life Assurance Co., are conducting a prize essay competition among school children on the island, the title of the essay to be "Life Insurance—Its Service to the Home and Value to the World."

Premium Income Higher for Mutual and Citizens'

Total premium income of the Mutual Life and Citizen's Assurance Co. of Australia amounted to $9,893,096 in 1932. This was $80,688 higher than in 1931, and was made up of $6,547,623 from the ordinary branch and $2,969,844 from the industrial branch. Premium income was slightly higher for both branches.

New business completed by the ordinary branch in 1932 amounted to $19,550,000, a slight decrease from 1931. Rate of interest earned on funds was 4.95 per cent. Ratio of expenses to premium income was 13.67 per cent in the ordinary branch, and 34.04 per cent in the industrial, both ratios being lower than in 1931. Reversionary bonuses in the ordinary branch were on the same basis as in 1931.

Readers Appreciate Insurance Service

The Financial Post insurance enquiry service is greatly appreciated by subscribers. This is what they say:

"I wish to thank you for the very valuable answer to my enquiry on the history of insurance. The information was most interesting and amply fulfilled my requirements."—A Maritime subscriber.

And again: "I have to thank you for your very explicit and helpful letter in connection with my life insurance."—An accountant in Bermuda.

Union Indemnity Business' Finally Wound Up in Canada

With the exception of a few outstanding guarantee bonds, all the Canadian business of the Union Indemnity Co. of New Orleans, La., has been wound up, according to an announcement by the Dominion superintendent.

Union Indemnity was placed in the hands of receivers at its head office on Jan. 6 last and a Canadian liquidator was appointed by a Canadian court on Jan. 26. The Canadian business of this company, other than guarantee bonds, had been entirely reinsured in August, 1932, following the failure of the company to make the additional deposit called for by the Insurance Act.

The business remaining to be dealt with by the Canadian liquidator was therefore of small volume and this has been largely reinsured by Canadian General Insurance Co. of Toronto. This reinsurance agreement covers all but a few of the outstanding guarantee bonds, the maximum liability under which is amply covered by the balance of the Canadian deposit remaining after payment of the reinsurance premium.

Globe and Rutgers Group Reorganization Completed

Official announcement of the reinsurance agreements affecting the Globe and Rutgers Fire Insurance Co. of New York and the Stuyvesant Insurance Co. of New York, has been made by G. D. Finlayson, Dominion superintendent of insurance.

Reinsurance of the Canadian business of the former company with the Liverpool and London and Globe Insurance Co. has been approved by the Supreme Court of New York and executed by all parties.

Following the rehabilitation order on the Globe and Rutgers, that company's liability under reinsurance agreements with the Stuyvesant has been entirely reinsured with the Pearl Assurance Co. of London, Eng.

Canadian Medical Men at Chicago Life Meet

Many Canadians will participate in the twenty-third annual meeting of the medical section of the American Life Convention being held at Chicago during the first week of the World's Fair.

The convention is scheduled to meet June 6, 7 and 8 and among those who will address it are:

Dr. H. Scadding Crawford, medical director of the Canada Life, who will bring greetings from the Life Insurance Medical Directors' Association of America of which he is president.

J. B. Mabon, associate actuary of the Sun Life, who will speak on "Premeditated Selection against the Company."

Dr. John M. Livingston, medical director of the Mutual Life of Canada, who will speak on "Early Recognition of Pulmonary Tuberculosis." The discussion on this paper will be lead in part by Dr. P. Thornley Bowman, associate medical director, London Life.

E. S. Freeman of Halifax Ranks High With Travellers

E. S. Freeman, of Halifax, N.S., placed fourth among the leading accident insurance underwriters of the Travelers of Hartford, being the only Canadian agent to be included among the leading fifty agents.

Leading Mr. Freeman in the ranking are three veteran agents of the company, headed by C. C. Klee, of Binghamton, N.Y. As these men have been with the company for many years, Mr. Freeman's production, after only a few years with the company, is the more noteworthy.

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Central West of Detroit Can. Business Reinsured

Canadian business of the Central West Casualty Co. of Detroit, Mich., has been reinsured with the General Casualty Co. of America by order of the Commissioner of Insurance for Michigan, custodian of the assets of the company, the reinsurance to later be made effective by a reinsurance agreement.

Central West Casualty went into receivership on April 4, the Michigan Insurance Commissioner being appointed custodian with powers to reinsure the business. The Canadian superintendent of insurance states that the deposit in Canada is sufficient to take care of the reinsurance premium and meet all outstanding losses in this country.

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AS FROM MIDNIGHT ON THE 3rd APRIL, 1933

Certificates transferring the liability of the "Globe & Rutgers" Fire Insurance Company under such policies, to "THE LIVERPOOL & LONDON & GLOBE" Insurance Company Limited will be issued to policy holders of the "GLOBE & RUTGERS" Fire Insurance Company as soon as possible. Renewal of such contracts will be effected by the issue of new policies through either "THE LIVERPOOL & LONDON & GLOBE" Insurance Company Limited or one of its Associated Companies, viz.:

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THE CENTRAL INSURANCE COMPANY (of London, Eng.)
THE LIVERPOOL-MANITOBA ASSURANCE COMPANY
THE NATIONAL-LIVERPOOL INSURANCE COMPANY

all of whose policies are guaranteed by "THE LIVERPOOL & LONDON & GLOBE" Insurance Company Limited.

Extract from the last Financial Statement of "The Liverpool & London & Globe"

TOTAL ASSETS $144,622,229.00
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MARITIME PROVINCES GENERAL AGENCY, Mitchell & McConnell Limited, Saint John, New Brunswick

ALL CLASSES OF INSURANCE (EXCEPT LIFE)

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Commodity Price Rise Helps Many Companies

Food Company Inventories Increase in Value — Enduring Rise for Grain Needed to Melt Excessive Accounts Receivable of Farm Implement Companies

In so far as rises in prices of many commodities during the last few weeks represent real improvement in the statistical position in basic industries and are not anticipating expected inflation of currencies, shareholders in food companies, merchandising companies and companies selling goods to farmers have reason to feel more cheerful.

The 40 per cent gain since 1932 in the price of wheat, for example, means that much added wealth (if it can be changed into cash) to grain companies, flour companies and baking companies, according to the quantity of wheat, or flour held. Exact estimates for each company are not possible because grain and flour companies for the most part ended their year in July or August, and the inventories shown in their last statements do not include their operations in connection with the 1932 crop.

Improved Grain Demand

So far as grain companies are concerned the increased prices are apparently the result of improved demand. In the season from July 29 to April 7 Canadian wheat marketed was 166,248,000 bushels as compared with 105,189,000 bushels for the same period of the preceding year.

This increase of 61,060,000 bushels has been of advantage to all railway and elevator companies, to railways because it means more freight receipts and to elevators because the through-put means more to them than the storage charges.

The storage earnings by elevator companies must also have increased because the higher crop of 1932 has resulted in the visible amount of grain out of farmers' hands in Canada standing at 312,819,000 bushels as compared with 246,151,000 bushels a year earlier. If price increase is maintained, and prospects are good for a better price if the pound sterling continues its increase in value in Canadian dollars, that added amount to sell will now prove an asset instead of an anxiety.

Russia and U. S. Eliminated

In the last three years the excessive visible supplies of grain have been mainly responsible for dropping prices. The high tariffs in Europe have contributed their part. At present, however, the likelihood that the United States is disappearing for a time at least from the world scene as a grain exporter removes its surplus from having marked effect on prices. This also means that Chicago prices are out of line with world prices and means little to Canada which must sell to the world.

The fuss between Great Britain and Russia is reacting to the benefit of Canadian farmers and may aid them in other departments as well as in wheat-growing. With United States and Russia removed from world markets, the chances of Canada appear better. Events bearing on this situation will be watched with keen interest this year. Current bad news about United States crops makes it still more likely that United States will stay out of the world market.

It will be seen from the following table that so far prices have done little more than go back to the level of midsummer, 1932 and to recover some of the ground lost during the last four months of the year:

Price Changes for Eight Months

	Sept. 17 1932	Dec. 31 1932	Apr. 22 1933
Wheat (Man.) bu.	$0.55	$0.42	$0.58¼
Cotton (lb.)	.081	.06	.07½
Rubber (lb.)	.04	.03	.037
Copper (lb.)	.06¼	.05	.06¼
Sugar, raw (lb.).	.031	.028	.03¼
Coffee (lb.)	.09	.08½	.07½
Hides (Tor.)	.04	.05	.07½
Silk (lb.)	1.82	1.50	1.50
Cattle (Tor.) cwt.	5.50	4.50	5.50
U. S. Dollar*	1.11	1.18	1.137
Sterling	3.85	3.75	4.34

*In October premium on U. S. dollar dropped until it was quoted here at $1.07 and then advantage was lost. Much now depends on present pourparlers in Washington and international action later for stability of exchange.

Britain Buys More

The values of the pound sterling and of the United States dollar in Canadian dollars are shown in the foregoing table because they have had a major effect on the situation. The improvement in value of sterling in Canadian money has increased the demand for Canadian farm products because more can now be obtained for the same money. The same thing will be found in most other products of the sea, the mine and the forest in so far as Great Britain is a natural market.

The higher value of the pound works against the interests of the importer less than might be imagined. It brings in sight the possibility of removing the annoying arbitrary regulations for revaluation of the pound and for revaluation of imported goods at arbitrary figures. These have been a thorn in the flesh of companies like Simpson's Ltd. and T. Eaton Co., and have made it difficult for them to estimate their costs on imports ahead of receipts. Heavy losses have occurred in the last three years because they have had to keep many millions always tied up in merchandise even though prices were falling.

Massey-Harris and Cockshutt Plow are naturally affected as farm products rise in value. Quantity of grain held in farmers' hands is still higher than it was at the same time last year and as marketed will add to purchasing power. How much of grain held in elevators is owned by the farmer there is no way of knowing but a new price level if it shows signs of permanency would be found of greatest value to farm implement firms after the next crop is harvested. That is an unknown quantity as yet. The stake that these companies have in returning purchasing power of farmers is seen in the following list of inventories and accounts receivable held by both companies as of November 30, 1932:

	Inventories	Accounts Receivable
Massey-Harris	$13,109,750	$16,937,139
Cockshutt Plow	3,044,621	3,573,748

Increased prices for cotton and rubber would be of interest to Goodyear Tire & Rubber Co. of Canada which had inventories of $2,399,772 at the end of 1932. Canadian General Electric, with inventories of $3,732,000, is less interested in specific prices directly. Practically all the flour milling and grain companies had inventories exceeding one million dollars in the middle of 1932, and the 1932 crop must have increased this amount materially.

International Nickel, with inventories more than $20,000,000, finds Canadian dollars have now less premium, and if Canadian dollars go to par eventually it will get less advantage for transferring United States funds to Canada. However, the prospect of inflation has stirred up demand markedly for its products, and this is one of the main advantages looked for not only by these companies but by all industries.

Companies purchasing United States coal, iron ore, pig iron and crude petroleum get more for their money than formerly but increasing prices in the United States may later deprive them of that advantage. Paper companies with prices already very low get still less as the premium narrows.

Enquiries

Acadia Apartments

A customer of ours holds bonds of Acadia Apartment Ltd., and we are told that interest is not being paid. Any information you will supply us will be appreciated.

Interest on the 6½ per cent first mortgage bonds of Acadia Apartment Ltd. due March 1 was not paid. So far, no letter has been sent to bondholders and no plans have been made for reorganization. We understand that the auditors are at the present time going over the figures of the company and that some statement may be made in the near future. We can secure no financial statement of this company. The rental situation in Montreal is very bad and the rents of apartments have been substantially reduced.

We would suggest that your customer who holds bonds of Acadia Apartment Ltd. write to Montreal Trust Co., Montreal, the trustee for the first mortgage bonds and advise them of his holdings if he does not hold registered bonds. He might also be able to get information when available from Royal Securities Corp., Montreal, who originally sponsored the issue.

Western Canada Flour

Would you be kind enough to furnish me with report on the present standing of Western Canada Flour Mills 6½% cumulative preferred stock? We shall also appreciate any information you may have regarding the progress of this concern.

Western Canada Flour Mills changed the dividend on its 6½ cumulative preferred stock to a $3 payment when it paid 75 cents a share for the quarter ending February 28. Both in 1931 and 1932 (fiscal years ending August 31) the company had to transfer large amounts from the general reserve in order to keep the preference dividend at the 6½ rate.

The present situation for this company is similar to that of other companies in the flour milling industry and it has developed for the most part in the years since 1929. The preference stock was only created in 1926 and dividends at the $6.50 rate continued until this year.

It must be remembered that the original capital stock of the company consisted entirely of common shares of $100 par value. There were a number of increases in number of shares outstanding before, during and after the war both by direct sale and through the medium of stock dividends. On March 22, 1926, the shareholders authorized a change from 28,750 common shares to $3,000,000 6½ per cent cumulative preference stock and 150,000 shares of no par value of which $2,500,000 preference and 86,250 common shares were issued.

The holders of the old shares were privileged to receive at the rate of $60 par value of preference stock and three common shares for each $100 share held. This exchange alone took care of $1,725,000 preference and 86,250 shares of common. An addition of $775,000 of preference stock was issued to redeem outstanding bonds of $770,000. Then rights were added in February, 1928, to common shareholders, still further increasing the capital of the company.

Before 1926 the company had paid dividends from 1906 on the common stock of the company. During most of that period 8 per cent had been paid, there were two 15 per cent stock dividends, and three cash bonus dividends of 12 per cent.

It will therefore be seen that the preference stock, in so far as it represents a portion of the old common stock, has paid dividends from the beginning, and that the company has been for a quarter of a century a large earner. It is also true that most of this earning was done in a period of either advancing or stable commodity prices.

Since 1930 the opposite situation for the first time this century has obtained and the situation has been further complicated by the huge tariff walls raised in European countries against Canadian and other flour. This has turned Canadian mills toward the domestic market which they have worked more intensively. They are equipped, however, to manufacture more than twice the domestic requirements, and therefore competitive conditions have made flour milling companies earn much less than previously.

If present international moves toward getting international trade in motion again are successful, it may be of use to this and other Canadian flour milling companies. The company has good management, an excellent reputation and it had good working capital on Aug. 31, 1932, last. It was somewhat weaker than the previous year because accounts and bills receivable had dropped about $370,000 and the company had negotiated a bank loan of $266,000. Total assets are impressive.

Dominion Stores

Could I ask for a personal comment on the Dominion Stores Ltd.? This stock is highly regarded apparently, and I have been seriously considering the purchase of it, with a view to market appreciation. Then the other day, I noticed that the death of the president had occurred and since then had heard rumors of internal dissension in the company. I thought, therefore, that before doing anything further, I would ask you if you would kindly advise me your opinion on this stock as a speculative investment, and whether or not your think that the recent change in officers is likely to have a harmful effect.

Earnings of Dominion Stores Ltd. have been well maintained in the past few years in comparison with earnings of other Canadian industrial and merchandising companies. Sales started to drop off in dollar volume, however, in the latter part of 1931, and 1932 sales were 8.56 per cent lower than sales in 1931. Net earnings dropped to $497,033 in 1932 from $630,967 in 1931. These figures represent earnings from operations and after adding other income total net earnings of the company were $623,922 in 1932 and $779,030 in 1931. Increased provision was made for depreciation and, as a result, the company earned $1.28 per share in 1932 against $1.85 in 1931. Dividends are payable in U.S. funds and after providing exchange the company ended 1932 with a loss of $20,266. Sales continue to show a decline from 1932 levels.

The company has a strong liquid position with current assets of $3,609,122 and current liabilities of $1,006,882. Cash, call loans, bonds and other investments total over $1,100,000. Inventories are slightly higher but are being brought back into line. The effect on the company's earnings, if any, of the death of W. J. Pentland, president, will not be immediately apparent. His successor, Morley Smith, has been associated with the company since its formation in 1919 and is a capable and conservative administrator.

Any major improvement of earnings in the company would appear to depend largely upon upturn in commodity prices or improvement in purchasing power of the public. A continued reduction in sales and net profits might result in a reduction of the current dividend rate of $1.20 per share but on the other hand profits would be immediately increased with an improvement in commodity prices. Stock of the company is listed in Toronto and New York and has a fairly good market.

Auditing

The following letter has been received from a subscriber of The Financial Post:

What is an auditor's duty toward protecting the interests of the public? One must come to the conclusion, taking into consideration all of the recent scandals that have been unearthed during the past few years, that all an auditor has to do is to examine a corporation's books, find out if all the entries have been truly made, that the books are in balance, and then write out a few lines at the foot of a balance sheet and let it go at that.

The law says that auditors shall be appointed at a general meeting of the shareholders. No doubt this is faithfully carried out in many instances. But as the law stands, those holding the majority of shares cannot only appoint the directors but the auditors also. So why should the auditors give out more information than they are expected to do? The fault is not so much with the auditor but with the law.

Auditors should be chosen at a general meeting by a majority of those present, one vote to each person, no proxies allowed. If the small fellow feels aggrieved at the scant information given out, he will only have himself to blame for not being present at the meetings when the choice of auditors comes up.

Auditors can then approach their work secure in the knowledge that they can give shareholders all the information that they ought to get, as owners of the business. If handouts of any description by the directors take place, such as political, bonuses, advances and so forth, this should appear in the auditor's report. Two full pages for the president on the report, and five or six lines for the auditor, is not what the average shareholder should get, or expects to get, quite the reverse.

If a corporation has two or more branches, the profit and loss for each branch should appear in separate columns. The owners are the ones to decide whether an unprofitable branch should be carried or not. Lots of subsidiaries are carried on purely for the benefit of one or more directors. Sometimes they are purchased for no other purpose.

Every director's name should appear on the top of the balance sheet, as well as the name of every director connected with the subsidiaries. If it is a family concern, shareholders should know all about it. It may be all right in a partnership, but almost criminal where the public are asked to subscribe. Land, buildings, plant, machinery, tools, goodwill, etc., less depreciation, does not mean much to a shareholder when clubbed together on a balance sheet. He is entitled to know how much is land, and how much is building, and just what depreciation is on the building, as separate from machinery, etc.

But why take up too much of your valuable space?

Retail Bond Prices

In March I had occasion to sell some bonds. Alberta 4½'s, due October 1, 1958, were shown in The Financial Post of March 18 at 81 which would also be the approximate price of Alberta 4½'s, due 1956. When I tried to sell the latter bond my dealers offered me 76. In comparing prices received for other bonds with prices quoted in The Financial Post I find a discrepancy that makes it appear that I have not been receiving what the bonds are worth.

It may be that there is a very simple explanation for this difference in prices and if so I would like to know of it. On the other hand if bond prices in Canada are just a matter of what the dealer feels like giving and there is no uniformity it seems to me that this condition is not in the interests of the small investor or bond buyer. Even in mining stocks it is possible to get the market price for them at any time because quotations can be relied on.

The explanation of the apparent discrepancy between the quotations on Province of Alberta bonds carried in our issue of March 18, and the price paid to you is as follows:

In the absence of a listed market for bonds in Canada, a market is maintained by the continual trading operations between Canadian bond dealers. This dealers' market fluctuates, of course, according to supply and demand of a particular security and reflects not only the attitude toward the prospects of the market held by large and small investors alike but also the attitude of the individual bond houses. Since many Canadian, Dominion and provincial issues are actively traded in New York and London the influence of these markets is a very considerable factor in movements of the Canadian market. This trading between dealers constitutes the wholesale market for Canadian securities in Canada and prices at which these deals are made are wholesale prices, commonly called, "street prices." The trading department of a bond house must be kept closely in touch with these wholesale prices from hour to hour or material losses may result.

Dealings between a bond house and a client are done on a retail basis and in order to get a profit and secure protection from loss in the event of fluctuations in the wholesale market the retail bid price is somewhat lower than the street bid price and the retail offering price is somewhat higher than the street offering price. The prices quoted by A. E. Ames & Co. in The Financial Post of March 18 were as of March 14 as noted at the top of the table. The price quoted was the retail offering price and on the Alberta 4½ per cent bonds due October 1, 1958, the retail offering price is quoted at 81. The Alberta 4½ per cent bonds due October 1, 1956, sell on practically the same basis and at the close of March 14 Ames & Co. quoted the street bid and asked price on this bond at 78 to 80. In other words, they would have bid a dealer 78 for the bonds that you sold to the dealer at 76. As you can see the retail bid price made by your dealer was two points under the wholesale bid price but that does not mean that there was a two point profit to the dealer since handling charges had to be met, probably a commission to the salesman and possibly a chance that your bond would have to be carried by the dealer for some time if an immediate purchaser could not be secured.

The spread between wholesale and retail bond prices varies according to the activities of the market for the particular bonds and there is not an active market for western provincial issues at this time. Throughout the month of March, the Canadian bond market was very inactive due to internal conditions, the approaching budget and the financial crisis in the United States which resulted in the closing down of the New York stock exchange on which many Canadian issues are listed.

We believe that the retail bond prices provided by A. E. Ames & Co., and published in The Financial Post are as near the retail market as is possible. It is not possible for us to carry both the wholesale and retail prices on provincial bonds and in any case the spread between wholesale and retail prices depends entirely upon the dealer.

London & Western Trusts

I hold 10 shares of London & Western Trusts Co. stock. I have been offered $700 for these shares and in view of the fact that the last dividend of 5 per cent was hardly earned I would like to know the position of the company in order to make a decision as to whether I should sell. I am in a position to hold this stock if the outlook is at all hopeful.

The current market for stock of London and Western Trusts Co. is approximately $70 per share. While the stock is not listed some market is usually available through unlisted dealers although there is never any substantial volume of trading.

The company showed a sharp drop in net earnings in 1932 as compared with earnings of 1931, net profits being only 4.4 per cent of paid-up capital as against 9.2 per cent in 1931. Business of the company has been fairly well maintained both in the amount of guaranteed funds and the amount of estates, trustees and agencies under administration. The current market for the company's stock is a reflection of adverse conditions which have affected the company's investment in Western Canada. In 1932, the company transferred $373,000 to special investment reserve to provide for losses on investments and provided another $25,000 to reduce bonds in guaranteed account to market value. Several of the company's branches in Western Canada have been closed and operations in the West are being carried on from the Winnipeg office. The company's experience with western farm loans have apparently been far from satisfactory and a large amount of real estate is held for sale.

Fernie Bonds

I note that the coal mines at Fernie, B.C., will be closed and this action will practically close the city. As I hold a $500 City of Fernie bond, due June 1, 1939, I would like to know what effect this happening will have on the value of my bond.

The financial statement of the town of Fernie for the year ended December 31, 1932, shows a reasonably strong position and the town has in its sinking fund debentures with a par value of some $50 for each $100 of Fernie debentures outstanding. On a basis of market value of sinking fund investments plus cash in the treasury the town has some $42 behind each $100 debenture outstanding.

It is impossible to say just now what will happen to the town which is made up entirely of a mining population and apparently operation of the Crow's Nest Pass Coal Mine Co. will cease. There is nothing else in the region the population can turn to for a living and it would seem doubtful as to whether the savings of the community would be enough to carry them along for any length of time and enable them to pay taxes. If the coal mining operations are closed down permanently, there would probably be an exodus of the population from the town.

St. Lawrence Flour

I am considering some common stock investments for a long pull and would be obliged if you would give me your opinion on the position and outlook of St. Lawrence Flour Co. Is it paying a dividend?

St. Lawrence Flour Mills has been able to make a satisfactory showing in recent years and, the common stock is now on an annual dividend basis of $1.50 a share. One reason for the company's ability to maintain its position when some of its larger contemporaries have suffered reverses, is that the company has kept clear of the baking industry; that is, it has no subsidiaries operating in this field. Milling companies which have extended their activities into the baking field have not fared well. St. Lawrence Flour has a somewhat checkered dividend record but at the present time its relatively restricted field of operations is proving an advantage, for it has not to contend with the vagaries of the export market to any great extent.

Holds Good Certificates

Would it be all right to buy $2,000 of Can. Western Gas, Light, Heat & Power?

This would be five per cent of the value of my present holdings at present depleted values, but I owe nothing, and all the corporations in which I hold stock have stood up and paid full dividends so far, except the banks, which I believe will pull through with reduced earnings.

I shall be glad for your opinion of my selection and of my present list which I enclose. Don't hesitate to strike off any you do not think suitable for my case. Your advice in past years largely accounts for my not being among the thousands who hold worthless stock certificates.

In your list of securities held you mention $2,000 in government bonds, but do not state which government. We do think Dominion Government, Ontario and Quebec bonds can be safely recommended to any investor but as a whole we would hesitate to advise investment in bonds of any provincial government while it fails to balance its budget. No provincial government has yet in Canada failed to pay interest and principal when due on its bonded indebtedness, but this is nevertheless a precaution which investors should take. For one thing it is a healthy thing for governments to realize that success in borrowing depends on sound administration.

As to the Canadian Western Natural Light, Gas, Heat and Power you have $2,000 set aside for investment but do not specify the security. The debenture stock is about to be redeemed so we presume it is the 6 per cent preference stock to which you have reference.

Canadian Western has had an impressive advance in the last six or seven years in gross receipts from the sale of gas and therefore in net earnings. Its preference dividend has been earned more than 2½ times in the last three years in spite of the depression. It has also paid in these last three years more common dividends than it had earnings available. This was hardly a conservative procedure in view of the fact that the company has shown an excess of current liabilities over current assets ever since 1927. The position of the preferred stock would look more secure if the company eliminated its bank loan from earnings by reducing common stock dividends until this was accomplished. It must also be remembered that its balance sheet is a comparative balance sheet and does not consolidate the position for all of its five affiliated companies.

Other securities held by you still appear to be in an advantageous position.

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(a) 5½% interest to 1 November 1934

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For further information, please telephone WAverley 1681 or telegraph us collect.

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Current Events in Banking World

Bank Chat on Current Topics

Where Are We?

DURING the present depression, things have gone from bad to worse, willy-nilly. Laissez faire has been the world's economic policy. Where anything in the way of a definite economic policy has been attempted, it has usually been done in the worst possible manner. Witness attempts to maintain prices of rubber, coffee, cotton, wheat and copper. What should the world do about conditions anyway? Should anything be done?

The view of British and other economists is that the world should be planning some definite economic policy, rather than allowing matters to continue their, so far, devastating drift. Owen Young, the United States banker, and author of the Young reparations plan, has likened our present policy to being in the same boat with Christopher Columbus; he had not much idea of where he was going when he set out, did not know where he was when he got there, and did not know where he had been when he got back.

Christopher Columbus died before he knew much more about where he had been. Most of us hope to know more about the present depression in our lifetimes than Christopher knew about North America in his.

* * *

British Confidence

CONFIDENCE in the Bank of England, the Royal Mint and the pound sterling are striking characteristics of the spider web of business and finance that is Great Britain.

The ordinary "sovereign" exemplifies this faith. Not only does the Royal Mint neglect to stamp any kind of promise on the coin, but it even omits to tell what the thing is. To the uninitiated it might represent a medal struck in honor of the King's birthday.

The foundation of the Bank of England's fiduciary note issue is another example of faith. The fiduciary issue started over a hundred years ago and now amounts to £260,000,000. At the outset it involved a loan to the government which grew to £11,000,000. This amount is still outstanding today.

There is nothing striking about this £11,000,000 except that there is no document in existence to prove that there is such a loan. There never was one. The bank and the government merely made entries of the amount in their books and let it go at that. There is probably not another debt like it in the world.

* * *

Staff Changes

The Canadian Bank of Commerce announces the following changes in staff appointments:

R. R. WHITE, formerly manager at Brampton, Ont., to be manager at Bathurst and Dundas, Toronto.

J. McMillan, audit officer at head office, to be manager at Wychwood, Toronto.

R. L. MITCHELL, formerly manager at Wychwood, Toronto, to be manager at Yonge and Erskine, Toronto.

* * *

Branch Changes

Coalhurst, Alta., sub agency of the Lethbridge branch, is now open for business on Thursday only

Canada is Not on Gold Standard Currency Basis

Canada is not on a gold standard. Payment of foreign debts in gold does not put us on a gold standard. Gold reserves held by the Government and by banks do not give us gold standard rating.

Canada would only be on a gold standard if our gold were used to maintain our dollar at its external gold par on foreign exchange markets. If our dollar sinks more than a fraction of one per cent below gold currencies, we cannot be said to be on a valid gold standard.

Great Britain has paid a war debt installment to the United States in gold. Canada has paid gold to the United States to meet debts maturing there. But neither type of payment in gold makes either the pound sterling or the Canadian dollar a gold standard currency; unless such payments were made in connection with a policy of keeping the currencies at their gold "pars." In brief, the term "gold standard" refers to the currency of any country, not to other forms of external payment.

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LOWER EARNINGS CAUSE 3 BANKS TO REDUCE DIVS.

No Indication Yet as to What Other Banks Will Do

Bank of Montreal, the Royal Bank of Canada and the Canadian Bank of Commerce all reduced the rate of dividends on their stock from ten to eight per cent last week by announcing quarterly payments of two per cent instead of the 2½ per cent which had been paid in the previous quarter. The Bank of Toronto declared its regular quarterly dividend of 2½ per cent, thus maintaining its ten per cent rate.

A sharp decline in call and current loans in Canada in November, December, January and February, and accompanying large increases in holdings of government securities, appear to be the direct cause of these dividend reductions. The combination of these two trends results in earning of a lower interest rate on total assets.

Last autumn all these banks and others reduced their dividend rates. Bonuses had been eliminated previously.

Others' Policies Uncertain

No indication has yet been given as to what dividend policy other banks will follow. When the reductions in the Royal Bank and Bank of Montreal dividends were made, it was understood that the banks were operating in concert. But later on the same day the Bank of Toronto declared its regular payment.

Announcements from Banque Canadienne Nationale and the Provincial Bank are due within two weeks, as their quarterly dividends should be payable June 1 to shareholders of May 15. Imperial Bank is paying a regular quarterly dividend on May 1, and another is not due until August 1. The Bank of Nova Scotia and the Dominion Bank's next payments are not due until July 1.

Due to Lower Earnings

Lower earnings have accounted for reductions in dividends in the last two years. The cause of the reduced earnings would appear to lie largely in the alteration in the nature of bank assets. Since 1929 there has been a marked movement of bank assets into low-yielding government securities, from commercial and call loans. This has been caused by voluntary liquidation of bank loans by industry and finance, and at the same time by involuntary liquidation which banks have been obliged to thrust upon their less secure debtors.

In brief, banks have grown more liquid in the last four years, by increasing their holdings of government debt, but have lost earning power because the interest return on such assets is smaller.

The changing of bank assets from commercial loans is clear. At the end of February, 1933, Canadian banks had only 55 per cent of their total demand and savings deposits invested in current and call loans in Canada. At Dec. 31, 1930, this proportion was about 65 per cent. At Dec. 31, 1929, it was about 78 per cent. On the other hand, between 1929 and 1933, bank holdings of government debt have grown from 14.6 per cent of all bank assets to 32.2 per cent.

Decline in Loans

The decline in the ratio of current and call loans to demand and savings deposits, since Dec. 31, 1931, is chiefly due to the reduction of loans. The deposits have dropped less than 100 millions during the period, but the loans have declined over 200 millions. As long as the declining tendency is in this ratio it is evident, bank earnings are likely to be affected adversely. The reduction of the rate paid on deposits from three to 2½ per cent may be largely absorbed by reductions in interest on certain types of loans. Although salaries and other costs have been reduced by the banks, this is hardly a large enough factor to offset a change of 1½ or two per cent in the interest rate being earned on a large proportion of bank assets.

The banks feel that they cannot very well reverse the trend of this change in their assets without considerable assistance from good borrowers. They contend that there is not sufficient demand for desirable loans to allow them to employ as much money as they would wish in such profitable short-term investments.

Announce Closing 17 Bank Branches Month of March

Canadian chartered banks announced 17 branch and sub branch closings during March. Nine of these were in Western Canada, six in Ontario and Quebec, one in Mexico and one in Cuba. This continues the trend of 1931 and 1932, but leaves total branches above the 1926 and 1927 levels.

Bank of Montreal closed its Monterrey, Mexico, branch, and the Royal Bank of Canada closed its Placetas del Norte, Cuba, branch. Of the Canadian provinces, Alberta accounted for five closings; Ontario, four; Saskatchewan, three; Quebec, two, and Manitoba, one.

The Royal Bank of Canada led in a number of closings with seven. Bank of Montreal closed four branches. The Canadian Bank of Commerce announced closing of three branches and one sub branch. Banque Canadienne Nationale closed one branch, and the Dominion Bank closed a sub branch.

At March 31, 1933, there were 3,890 branches of Canadian chartered banks. Of these, 3,729 were in Canada, 25 in Newfoundland and 136 elsewhere.

DOMINION NOTES OUT ROSE 5 MILLIONS

Finance Act Advances Up $6,500,000 During March

Circulation of Dominion notes rose over five million dollars in March. The total outstanding at March 31 was $180,926,882, compared with $175,701,103 at Feb. 28. The rise was made up entirely of advances under the Finance Act, which increased $6,500,000 to $48,444,000 during the month.

The increase in circulation was confined almost entirely to notes of $500 and $1,000 denomination. The increases in $500 and $1,000 notes outstanding were $575,000 and $1,422,000 respectively. There were also increases in outstanding legal tender notes for bank use only. A rise of $80,000 was recorded for $5,000 notes and $2,700,000 was shown for $50,000 notes.

Outside the $500 and $1,000 notes, circulation of currency of denominations largely for public use was changed very slightly.

Gold held against notes, under the Dominion Notes Act, 1927, dropped $1,274,221 in March. But there was an increase of $498,735 in the excess of gold held above legal requirements.

The gold held by the Minister of Finance was as follows:

Gold Holdings of the Minister of Finance at March 31, 1933

Against savings bank deposits (10% on $22,335,022)	$2,242,913
Against notes under Dom. Notes Act, 1927	68,982,882
In excess of statutory requirements	589,957
	$71,815,752

Foreign Exchange

EVERYTHING else in foreign exchange markets was subordinate to the United States official abandonment of the gold standard in the week ended April 24. Wide fluctuations resulted. The principle trend was a weakening tendency on the part of the United States dollar in terms of gold francs, sterling and Canadian dollars. There was also a weakening of sterling and Canadian dollars in terms of gold francs.

Possible revaluation of the gold content of sterling and Canadian and United States dollars is a strong factor in present foreign exchange trends. Speculation on the possibility is the chief influence on currencies. Rumor suggests a reduction of 15 per cent in the gold content of the dollar, and subsequent revision of the gold content of sterling at $3.50 in the new dollars. There is nothing to confirm this. It should be borne in mind that in present disturbed conditions, revaluation is somewhat difficult. It is a potentially dangerous policy in the long run.

* * *

SOME experts look for a development of strength in United States dollars later. They point out that the whole world owes money to the United States. They also point out that the United States has really been off the gold standard since March 4, when exports of the metal were banned. It has merely just been admitted. Prior to the confession, there had been no serious change in the dollar's position.

The week's quotations follow:-

FOREIGN EXCHANGE

New York Funds

	High	Low	Last Year High	Last Year Low
	(Premium)		(Premium)	
	%	%	%	%
Apr. 18 .	19 1-2	18 1-2	11 5-16	11 1-8
Apr. 19 .	18 1-8	14 5-8	11 1-8	11
Apr. 20 .	14	13	11 1-8	10 15-16
Apr. 21 .	14 1-2	13	11 5-16	11 1-8
Apr. 22 .	14 1-8	13 1-4	11 7-16	11 1-4
Apr. 24 .	13 1-2	13	......	.....

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
Apr. 18	3.48 7-8	0.397 7-16	0.517 1-4
Apr. 19	3.63 7-8	0.419 15-16	0.544 3-4
Apr. 20	3.85 7-8	0.438 15-16	0.581 1-4
Apr. 21	3.81 7-8	0.425 15-16	0.569 3-4
Apr. 22	3.82 1-8	0.425 3-4	0.568 3-4
Apr. 24	3.86 7-8	0.434 7-16	0.576 3-4

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Apr. 18 ...	4.16 3-4	0.0473 3-4	0.0613 3-4
Apr. 19 ...	4.32	0.0495 3-4	0.0658 3-4
Apr. 20 ...	4.32 3-4	0.0488 3-4	0.0634 3-4
Apr. 21 ...	4.33 1-4	0.0479 3-4	0.0636 3-4
Apr. 22 ...	4.33 3-4	0.0483 3-4	0.0644 3-4
Apr. 24 ...	4.39 3-4	0.0494 1-4	0.0654 3-4

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Apr. 18 ..	0.2846	$.1677 1-2	0.2560
Apr. 19 ..	0.2911	0.1760 1-2	0.2715
Apr. 20 ..	0.2943	0.1754 1-2	0.3825
Apr. 21 ..	0.2836	0.1729 1-2	0.2755
Apr. 22 ..	0.2854	0.1733 1-2	0.2685
Apr. 24 ..	0.2870	0.1752 1-2	0.2695

Argentine Exchange Permits Required Over 1,000 Pesos

A circular issued by the Argentine exchange control commission advises importers of that country that in future permits to buy foreign exchange must be procured for all amounts in excess of 1,000 pesos. Formerly this restriction only applied to exchange purchases of more than 5,000 pesos on sight documented bills, except for textiles and silks.

Permits will still be required for foreign exchange, in any amount, to pay for imported goods of the following types: jewellery and fancy goods in general, radio materials, perfumery, floor polishing machines and vacuum cleaners, automobiles, toys, motion picture films and goods, silks, furs, liqueurs and fine wines.

Teller of Bank Fought Bandits Gets Promotion

Lloyd Denning, 23-year old teller of the Ilderton, Ont., branch of The Canadian Bank of Commerce, has been awarded promotion for his recent spirited defense of the branch against armed bandits. He has been given three weeks' vacation with pay and promise of promotion to another branch.

Mr. Denning fought off the bandits with his revolver, after the manager, H. M. Porteous had been severely wounded by them. The young teller's action is understood to have saved the bank a probable loss of several thousand dollars.

At least one older banker recently told The Financial Post he would not care to offer resistance to the eloquent demands of a robber's revolver pressed into his side. "If anyone shoved a gun against my ribs and told me to stand on my head, I'd do it," he said. This would probably be the attitude of many older bankers. They feel they are not called upon to risk their lives for the bank, especially when insurance is carried.

World's Gold Ample to Increase Prices

More Economical Use By Central Banks Required—Excess Holdings and Public Use Have Caused Deflation—Education of Banks and Public Needed, Say Economists

There is no shortage of gold in the opinion of leading economists. A monetary and credit system of much larger proportions than that now in existence throughout the world can be erected on present stocks, in their opinion. A more economical use of gold by the public, and particularly by central banks, is all that is necessary, in order to correct the present ills of the gold standard credit system.

These are the general conclusions reached by a group of distinguished British economists and several noted continental authorities who gathered in informal meetings between December, 1929, and February, 1931, in London. Men with names to conjure with in the field of economics were participants in the discussions. Among them were J. M. Keynes, who has been a more accurate economic prophet than most others in recent years; Charles Rist, deputy-governor of the Bank of France and foremost economist of France; Sir Otto Niemeyer, the central bank-maker; Hon. R. H. Brand; R. G. Hawtrey, author of several standard works on economics, and an exceptionally clear analytical thinker; D. H. Robertson and T. E. Gregory, two of the most noted British teachers on economic subjects, and others equally distinguished.

"The International Gold Problem," published by the Oxford University Press, gives the views of these masters of economics as expressed in discussion.

Reasons for Gold Problem

The reason that there appears to be a shortage of gold at present, and for future needs, is that there has not been an economical use of gold by some central banks. Nor has the use of gold for circulation in the hands of the public of some nations aided economical use of gold. It is a fiction that note circulation is redeemable in gold. It cannot be done, as has been shown in the United States, where the public recently attempted to get gold for notes.

Gold should not be held by central banks with particular relation to their note issues, because of the fictitious nature of the notion that notes can all be redeemed in gold, these economists decided. They believe that the proper criterion of the amount of gold a central bank requires should be the maximum probable amount necessary to settle international balances of payment at any time, before the central bank can effect measures which would adjust the flow of gold.

These decisions are based on the fact that actual money, currency and gold, is used to settle only a small proportion of business transactions. Within any country, most transactions cancel out in the form of net balances of cheques in clearing houses. Internationally, gold should serve the same function as currency does within a country. It should only be used to settle the net balance of payments, which, under normal conditions, is never very large. These propositions are clearly set forth by the National City Bank of New York in a recent bulletin, as follows:

Use of Gold

"It is of first importance to distinguish between money which serves as the standard of value and money which serves merely as a means of payment. It is unnecessary that the standard of value (gold) shall enter into circulation at all...

"Apparently there is no general appreciation of the fact that although money has a fundamental part in the business world as the standard of value, it plays only a minor part as the actual means of payment, either in trade or financial terms. Ninety per cent or more of all payments are made without the use of money (currency) at all, by means of private bank checks, which never are cashed, but practically cancel out in the clearing houses."

Public circulation of gold has been stopped in many countries since the war. The gold bullion standard, under which gold is not obtainable in small amounts for internal circulation, has helped achieve this. The United States will probably follow this plan when gold payments are resumed there. This is the standard which Great Britain operated between 1925 and 1931, and which France now uses. The bank crisis in the United States, therefore, has resulted in an advance in the economical use of gold. The war helped educate people to paper money, which is perfectly sound when based on negotiable assets. We have sound money in Canada without a gold standard. Economists believe that we could have just as sound money if we held no gold at all. Rt. Hon. Reginald McKenna and others have expressed the same opinion regarding internal circulation in Great Britain.

Why Keep Gold

The average man will probably wonder why central banks keep large gold holdings if they are so unnecessary to handle trade. Sir Basil Blackett, in the manner of Punch, has given a frivolous, withal truthful, answer to this question:

"I think the first, and perhaps the most important, answer is because other central banks keep gold. Perhaps another answer would be because the banks think that people think they ought to keep gold, or even because the banks think that people think that the banks think they ought to keep gold. Possibly another answer would be because the central banks are not clever enough to manage any system other than the gold standard, or that they are not clever enough to persuade people to think they are clever enough to manage any such system..."

"The idea that you keep gold for the purpose of making the currency of any country, or any western country at any rate, convertible, is one which ought to be exploded right away."

Sir Basil's notion of the amount of gold which a central bank requires, if public opinion could be persuaded to see the truth, is the amount that will make it perfectly safe for meeting an external balance of payments against it at any moment. That, he thinks, is the sole purpose in a peaceful world for which a gold reserve should be kept.

These opinions were expressed before huge external balances of payments, due to the flight from the pound, drove Great Britain off the gold standard. Their fundamental truth does not appear to have changed as a result, however. No country can convert all its external obligations into gold at once, any more than it can redeem all its notes in gold internally.

Plethora of Gold

If central banks were to revise their ideas as to what is a desirable gold holding, in line with these suggestions, there would be a plethora of the metal for international trade. The United States and France would probably wish to disgorge gold, which, incidentally, is expensive to the holder of excess reserves. Excess gold is unemployed capital which is earning nothing.

What is needed is international and public education up to the conclusions of these noted economists, to bring gold into use for credit purposes, rather than for useless reserves. It is believed that this would cure the world of its present deflationary sickness due to the enormous decline in prices in the last three or four years.

France and the United States are regarded as the greatest sinners in holding excess gold. Holland, Switzerland and Belgium hold even greater excess reserves in proportion to their obligations, but the volume of their holdings is much less. British economists, who must be conceded the palm for clearest thinking in the "dismal science," appear to lay chief responsibility for world deflation at the door of these two nations.

Charles Rist has defended the gold accumulations of France as a consequence, not a cause, of the deflation of world prices. Gold credits, he says, in foreign countries have flowed back to France willy-nilly. He says that credit cannot be created by use of this gold, when business does not demand credit. He also contends that a flow to Great Britain would not result in the British keeping the gold, because it has been their habit to lend it out again, it being unprofitable to keep too much.

British Opinions

R. G. Hawtrey and other British economists disagree with M. Rist. Mr. Hawtrey feels it is unfortunate that the Bank of France cannot help absorbing gold because it is not allowed the privilege of open market operations. The British economists appear to think open market purchases of securities could create the credit situation and improvement in prices which M. Rist says cannot be achieved until business demands credit. Sir Henry Strakosch feels that France stabilized the franc at too low a level to correspond with its purchasing power, and as a result caused the excess inflow of gold to France.

The British economists feel that more elastic powers for the Bank of France, and a more effective banking system in the United States, could bring about a use of the superabundance of world credit which would correct present low prices and industrial stagnation throughout the world. As the Bank of England, through its credit policy, appears to have achieved this in part, by relative stabilization of internal prices, while France and the United States have not, the British opinions appear to be justified.

As far as Canada is concerned, in the chaos of low world prices, economists are of the opinion that we are only a pawn in the game, and that we can only follow the lead of the great economic powers. Doubt has been expressed as to our ability to raise prices of our leading products because they are sold in world markets. But it is felt that if other countries move to raise their price levels, through better use of credit facilities, we shall probably be able to follow the same policy with good effect.

Editor's Note — This is the last of a series of articles on the gold standard.

Victoria Clearing House Elects 1933-34 Officers

Victoria Clearing House members recently elected G. A. Campbell, of The Bank of Nova Scotia chairman of the clearing house for 1933-34. P. B. Fowler, of The Canadian Bank of Commerce was elected vice-chairman.

The board of management for 1933-34 includes, in addition to the chairman and vice-chairman: W. H. Raikes, Bank of Montreal; G. H. Stevens, The Royal Bank of Canada; J. H. D. Benson, Imperial Bank of Canada, and T. H. Laundy, manager-secretary.

Obituary

Sir Daniel H. McMillan, former president of the Northern Crown Bank, and for 11 years lieutenant-governor of Manitoba, died in Winnipeg on April 14. Sir Daniel was born at Whitby, Ont., in 1846. He was a member of the Wolseley military expedition against the Red River rebellion in 1870. He made his residence in Winnipeg from 1874 to 1933, and was one of its best known business men.

Advertising Linage Reflects Bank Holiday

From Our Own Correspondent

MONTREAL. — Newspaper advertising linage figures for March reflected the full impact of the bank holiday upon the business of the country. Returns compiled by Media Records Inc., and published in Editor and Publisher, show that newspapers in 52 American cities carried 76,363,808 lines of advertising or 69.5 per cent of that reported for March, 1932.

In breaking down the returns, Media Records show that display linage totalled 61,553,635 as against 90,242,581 in March, 1932, while classified linage dropped from 19,565,167 to 14,810,173 for March this year.

The linage by classification for March, 1933 with comparative figures for the same month in 1932 follow retail, 43,230,485 (61,011,964); general, 13,868,882 (21,719,978); automotive 2,503,474 (5,352,417); and financial, 1,950,794 (2,158,222).

Weekly Bank Clearings

	Apr. 20 1933	Change year ago	Apr. 13 1933
	$	%	$
Toronto	55,368,458	—23.4	66,763,939
Montreal ...	51,769,389	—4.6	61,394,966
Halifax	1,555,118	—27.6	1,676,045
Saint John ..	1,165,030	—27.5	1,220,792
Sherbrooke ..	481,181	—24.0	476,123
Moncton	484,395	—27.3	472,220
Quebec	2,724,681	—31.5	2,997,855
Ottawa	3,020,437	—37.9	3,358,268
Peterboro' ..	427,916	—22.9	459,970
Hamilton	2,514,615	—29.7	2,826,628
Kitchener ...	625,721	—16.6	740,088
Brantford ...	560,175	—25.5	603,805
London	1,751,066	—26.1	1,766,390
Chatham	321,393	—25.8	352,299
Sarnia	286,197	—28.2	318,210
Sudbury	373,521	—14.0	425,654
Fort William	457,918	—26.5	429,614
Winnipeg ...	30,418,045	—12.1	27,020,085
Brandon	254,159	—30.4	236,577
Regina	2,489,323	—45.4	2,822,824
Moose Jaw ..	390,484	—27.8	423,081
Saskatoon ..	943,859	—34.2	960,356
Pr. Albert ..	168,881	—45.6	206,402
Edmonton ..	2,674,463	—38.8	3,040,048
Calgary	3,527,436	—35.0	4,157,677
Medicine Hat	145,396	—18.9	136,135
Lethbridge ..	261,760	—18.1	303,859
N. W'minster	277,041	—36.0	397,026
Vancouver ..	9,295,958	—26.6	10,649,266
Victoria	999,178	—35.2	1,202,058

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Beneficiaries of Inflation

Don't miss the timely article in the April 26th Financial World on the probable effects of inflation. It will help you to concentrate your funds in securities which will be most benefited by the rising price level of commodities.

You will be in time for the above article, if you send $1 at once for our next 8 issues. Without extra cost, you will also receive the following: 10 OUTSTANDING STOCKS FOR RECOVERY; AN OVERLOOKED BEER STOCK, A UNIQUE AND ATTRACTIVE LOW PRICED INDUSTRIAL BARGAIN and TIME TO BUY A FORTUNE? Simply return this "ad" and $1 with your address.

THE FINANCIAL WORLD
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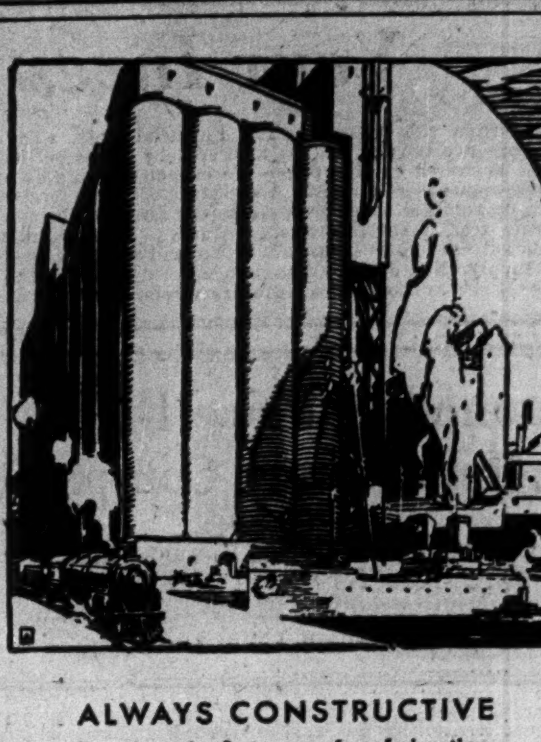

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In the Heart of the City
Fireproof Construction — European Plan
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Two Booklets discussing all phases of a big National problem

The Economist answers the Question

ECONOMISTS, business men, parliamentarians and bankers alike have spoken highly in praise of the articles on "A Central Bank for Canada" by A. F. W. Plumptre, lecturer in money, University of Toronto. The articles were a simple statement of the pros and cons, written for the average business man reader.

Republished in booklet form, the articles have been in heavy demand. Copies, bound in paper cover, may be had at the nominal cost of, each .... 25c.

The Banker answers the Question

THE bankers' viewpoint on the question of a Central Bank is clearly set forth in "Does Canada Need a Central Bank?" a booklet reprinting a recent series of articles by "A Canadian Banker." The articles also cover fully the subjects of inflation, currency depreciation, etc., which are so definitely before the public at the present time.

This booklet also may be had at the nominal cost of, each .... 25c.

Use the coupon to order one or both of these books

THE FINANCIAL POST,
143 University Avenue, Toronto.
Send me the following Central Banking booklets:
......copies of "A Central Bank for Canada," by A. F. W. Plumptre, for which I enclose 25 cents a copy.
......copies of "Does Canada Need a Central Bank?" by "A Canadian Banker," for which I enclose 25 cents a copy.
Name ....
Address ....
309

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We Own and Operate 130 Country Elevators in
MANITOBA - SASKATCHEWAN - ALBERTA
Licensed Country Grain Warehousemen
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Winnipeg Grain Exchange Chicago Board of Trade
Minneapolis Chamber of Commerce

Grain and Milling in Canada

This Week in Wheat

From Our Grain Correspondent

Wheat and Gold

BOILING wheat markets of the past week have been the result of an altogether new set of forces which have come into play since the United States left the gold standard, a set of forces complex in nature, conflicting in action, and complicated in results. While the net result in the Canadian market has been a marked increase in price, and a stimulation of trade, there have been some tendencies in the opposite direction.

Depreciation of the United States dollar might have been expected to bring about an internal rise of wheat prices, along with increases in other commodity prices. Under other circumstances that would have been no argument for rising prices in Canada. For example depreciation of the British pound reacted to bring about lower wheat prices in Canada, because Great Britain is the world's greatest buyer of wheat and there is a tendency for wheat prices, expressed in sterling, to resist changes. Depreciation of the Canadian dollar increased the level of wheat prices in Canadian currency, but by no means to the extent that might have been imagined, because it increased the tendency to offer to British and to other markets wheat at lower world prices than might otherwise have prevailed. On the other hand lack of depreciation in the United States acted in exactly the opposite direction, and tended to increase world prices as U. S. A. farmers would not part with their wheat and had to be offered higher prices before a sufficient quantity of wheat was available for domestic use. The net result of depreciation of currencies was thus lower wheat prices to the Canadian farmers. Why then should United States depreciation suddenly become a factor in the opposite direction?

* * *

Reasons For Price Rise

DEPRECIATION of currency is usually regarded as a stimulus to export trade. If it had that effect on United States wheat it would be a bearish, and not a bullish influence on Canadian prices. It is just because the usual relation between depreciation and export is lacking in the case of United States wheat that instead of threatening it can encourage the Canadian market. The short crop of wheat in sight for the United States this year appears to put that country out of the export business for another year, in spite of a very large carry-over of wheat, and depreciation would have to be carried to an extreme degree before a resumption of wheat exports in the near future would be indicated. With that danger out of the way other influences have a chance to work.

Chief of these is a rise in the value of the British pound. The low value of sterling during the past year or so has imposed a heavy loss on this country in making us accept less for our wheat. But a rise in sterling, as distinguished from a fall in the Canadian dollar is a reversal of former conditions There is a great deal of difference between Great Britain really paying more for wheat, and the Canadian farmer simply apearing to receive more, although the immediate effect on prices in cents per bushel in Canada might be the same. A rise of six cents, Canadian in the value of the pound can be roughly translated into a cent a bushel on the Canadian market. It would appear that the real value of sterling has risen to some considerable extent, and also that further stabilization operations intended to keep it below a natural level may be inhibited, a fact of which speculators and traders take account.

* * *

U. S. A. Situation

ANOTHER effect of financial developments in the United States has been to call increased world attention, by the spectacle of soaring prices there, to actual wheat conditions in that country. The United States began, and is likely to end, the current crop year with a carry-over of 363,000,000, bushels, or at least 200,000,000 bushels more than a normal carry-over. That represents more than half of the world's unnecessary supply of wheat.

Wheat prospects of the United States not only promise to reduce that surplus very substantially during the coming year, but for the present are impounding the surplus behind a wall of high prices. Almost up to the moment markets abroad have been figuring in that stock as if it formed part of the supply available for world markets. Once it is realized that it does not form part of the current available world supply, and that after all the world excess of wheat is for all practical purposes contained in the Canadian supply, the wheat picture takes on a changed appearance, even although the Canadian carry-over is likely to be materially reduced this year.

Exports Through Montreal Port

Exports through the port of Montreal last season showed an increase of 890,897 tons over the previous year.

AMENDMENTS NOW PLANNED TO GRAIN ACT

One Covers Montreal Grain Loans — Other Affects Elevators

BANKS INTERESTED

Unfair Practices Now to be Curbed Have Both Originated in East

From Our Own Correspondent

OTTAWA — Strengthening the security of the banks in the case of money advanced on through bills of lading, with particular reference to wheat, and vesting in the Board of Grain Commissioners the power to regulate the discharge of grain from such terminals as the Montreal Harbor Commission, Hon. Harry Stevens, minister of trade and commerce has introduced an amendment to the Canada Grain Act.

The amendment is of importance to the grain trade and to the banks.

To Curb Montreal Practice

With regard to the regulation of the discharge of grain, the amendment has particular reference to a practice of lending grain which has grown up in recent months at Montreal. Western exporters who placed grain at Montreal in order to have it in a favorable position for export have been complaining that members of the Montreal Corn Exchange have been offering and selling this grain on the strength of their ability to borrow from the Harbor Board to fill any orders they might receive.

The Montreal Commission posts, daily, a statement showing the quantity and volume of grain in store. The Montreal operators, possessing this information, seek sales in Europe and when a sale was made they would buy at Winnipeg and then borrow from the Harbor Commission, stating that the Winnipeg shipment is enroute and will replace the amount borrowed within a few days.

Gives Unfair Advantage

From the viewpoint of western shippers, the objectionable feature of this trade is that the Montreal operators are selling wheat which does not belong to them, upon which they pay no storage charges—sell it in direct competition with the rightful owners who have borne the expense of putting it at the seaboard for no other reason than to have an advantage in the export market.

The amendment does not expressly forbid the lending of wheat, but it does place the traffic under the control of the Grain Commission. The Montreal Harbor Board has argued that ability to lend wheat has been a factor in keeping Montreal open, in preventing a stoppage in the flow of grain.

It is well understood, however, that the Grain Commission will put a stop to the practice unless a stoppage is unavoidable.

"Eastern" Elevators Affected

The other sections of the amendment, dealing with through bills of lading, are of great interest to the banks. A through bill of lading is the receipt by which the owner can prove title while the wheat is enroute. On the security of these bills, the banks advance large sums of money. The present Grain Act protects the ownership rights of a holder of a through bill of lading if the wheat is in any western elevator or in any public or semi-public elevator in Eastern Canada. But there is another class of elevator known as an, "eastern" elevator and a recent case proved that the provisions of the present act do not apply to this class of elevator.

It happened that an eastern elevator went into bankruptcy and the litigation proved that the rights of the owners of the through bills of lading lapsed when the grain was bulked. If it were specially binned, their ownership remained unimpaired. But only a marginal fraction of grain is specially binned.

The courts ruled that once a shipment of grain had been dumped into an eastern elevator bin with a large quantity of similar grain, its particular identity had been lost, and the through bill of lading could not apply. The result was that owners of the bills of lading covering the grain in this elevator had to accept a settlement on the same basis as all the other creditors, and the banks which had loaned money took heavy losses.

Now on Same Footing

The amendment places these eastern elevators on exactly the same footing as public and semi-public elevators. The through bill of lading, or its equivalent, is to remain effective regardless of whether or no the grain is bulked.

In the terms of the amendment, two courses will be open. If a shipper is using an eastern elevator for purposes of transfer from large boats into canal barges, he will receive, during the carrying out of this operation, transfer receipts which shall be proof of ownership of the grain and shall not be negotiable.

In other words, the owner is protected and the banks which advanced money against the through bills are protected. But if the shipper desires to store his grain at an eastern elevator he will surrender his bill of lading and take warehouse receipts, which will afford precisely the same security to the banks.

It is not expected that the amendment will prove controversial. The changes are distinctly in favor of the wheat shippers. Travers Sweatman K.C., of Winnipeg, drafted the amendment at the request of the government.

Wheat Market Broadens To Include Public Buyers

Pool and Farm Board Activities Being Replaced By Private Operators — Removal of Fear of Manipulations Strengthens Market

From Our Own Correspondent

WINNIPEG.—Speculative interest has been re-created in the wheat market by the recent price advances but the broadening basis of operations is only partly on account of increased trading on the part of the public looking for unaccustomed profits. To a greater extent it rests on increased participation by dealers, merchants, millers, bakers, and even domestic purchasers of flour, who begin to be concerned again, as they used to be concerned, with probabilities of the future, instead of merely with immediate consumption demand and immediately available supplies.

The wheat market had become reduced to a dangerously narrow basis, and the disappearance from market activity of the Canadian Pools and of the United States Farm Board meant that the functions they had formerly performed in carrying wheat, either cash wheat or futures, required something to take their place. The entry of the Canadian Government into stabilization operations bridged the gap in Canada.

Farm Board Replaced

In the United States as the Farm Board participation in the market, which at one time had amounted to 257,000,000 bushels, was reduced, its place was gradually taken by the public, by commercial traders, and by farmers carrying wheat on their farms replacing wheat which formerly had been in elevators and which had been carried in the market. The change in the United States has been remarkable, and the final liquidation of Farm Board holdings, to the extent of 30,000,000 bushels since March 4, has found others willing to carry the load.

Knowledge that there need no longer be any fear of market manipulation by an essentially irresponsible agency, although with government funds at its command, has done a great deal to strengthen confidence in the market. The market in Canada has not yet broadened to a sufficient extent to enable the Canadian Government to retire from its very extensive commitments, but the handling of these commitments has commanded general respect. They were seen to be, not an attempt to manipulate or to destroy the functioning of the open market, but rather an attempt to carry the market over a difficult temporary situation, and to preserve its proper functioning.

Government Position

Stories that the Dominion Government position has been liquidated, either completely or to a major extent, may be dismissed as representing the impossible, but at least the situation has been improved, as the government position has been reduced to a smaller percentage of the open interest in the market. Apparently it can be substantially further reduced in coming months, both as the total quantity of wheat requiring to be carried by the market is lessened, and as commercial and public participation in the market grows.

CUT INTEREST BANK SAVINGS, NOT ON LOANS

(Continued from page 9)

that a four or 4½ per cent coupon will be acceptable to present holders. The government is also probably hoping to raise new money at a lower rate than has prevailed in recent years.

When The Financial Post first mentioned the possibility of a change in the savings interest rate last November, most bankers scouted the notion. Very shortly they changed their viewpoint. At the same time, some investment bankers were dubious as to whether the banks could be persuaded to make a reduction, since they had stuck to the three per cent rate for at least 35 years.

After discussion of the matter had been seriously undertaken, some banks are understood to have been reluctant to take the step. Some delay was caused in inducing loan and trust companies to agree to changing their rates. Each trust company operates as an individual unit, as there is no such organization as the Canadian Bankers' Association uniting them in uniform action.

No Effect on Bonds

So far there has been little reflection of the interest change in the price for high grade bonds on the Canadian market. Banks have been absorbing substantial amounts of Canadian government securities in recent months, but this has not changed yields much. If the general public were to use their deposits to buy government bonds, the banks would probably cease purchasing, so that there might not be as much change as some observers have been inclined to expect.

J. G. Weir, in an interview with The Financial Post, recently stated:

"One of the biggest troubles with the bond business here is that the provinces and the Dominion are so far from balancing their budgets that some people think they will never balance them, and that they may, therefore, default."

In 1902 and 1903, Canadian governments and municipalities borrowed money at the lowest rates ever available to them. And the savings deposit rate was then three per cent. But the loans were floated in London, so that the coupon rates on the bonds did not reflect the Canadian situation.

Government Conversion

As indicated previously in The Financial Post, the Dominion Government is considering a conversion of its 400 millions of 1933 and 1934 bond maturities this year, preferably at a lower rate than the 5½ per cent now being paid. But no bulk conversion of the whole internal debt is contemplated yet.

New Zealand is about to try a conversion of its internal debt in a similar manner to the Australian conversion. The present market yield on New Zealand bonds internally is about five per cent. It is proposed to convert the debt to a four per cent basis. Dissentient internal creditors of New Zealand have been threatened with a lower rate, probably 3.33 per cent, if they do not convert voluntarily.

A New Zealand financial paper states that the government of the islands is within its rights under international law in thus coercing internal bondholders. It says that a nation need not pay its internal debt creditors anything, if it does not wish to do so.

U. S. A. Wheat Crop Conditions Improve

From Our Own Correspondent

WINNIPEG.—There has been some substantial rainfall in the very dry areas of the winter wheat belt of the United States, but this does not affect predictions formerly made as to the very small out-turn of the crop. A very large area came through the winter in such shape that no subsequent conditions could result in a satisfactory crop being harvested, and the extent of abandonment of winter wheat acreage has been at an unprecedented rate.

So far as the remaining acreage was concerned, estimates made of low yield were based on a reasonable amount of moisture coming in time to realize the then existing possibilities of the crop, and not at all upon the steady continuance of drought until harvest time, which would have meant total failure instead of a poor crop. It is now believed that there will be a substantial decline in spring wheat production of the northwestern states, Minnesota, the Dakotas, and Montana.

Winnipeg Grain Prices

Week to April 25

Crop year from Aug. 1, 1932 High	Low		Open Apr. 19	High for week	Low for week	Close Apr. 25
		Wheat				
.67⅝	.40½	May	.58¾	.60⅝	.54⅞	.57⅞
.62⅛	.41¾	July	.55	.62⅛	.55	.59
.64½	.40⅝	October	.57	.64½	.57	.61⅛
		Oats				
.29½	.21⅛	May	.25	.26¾	.24¾	.25¼
.27½	.21½	July	.25	.27½	.24⅞	.25¾
.27⅝	.21⅞	October	.25⅛	.27⅝	.25⅛	.26
		Barley				
.38½	.26⅛	May	.32	.34½	.31¾	.33¼
.35¾	.26	July	.32⅞	.35¾	.32¾	.34¼
.37⅛	.27¼	October	.33⅝	.37⅛	.33⅝	.36¼
		Flax				
.94	.71¼	May	.84¼	.93½	.84¼	.89
.96	.71⅝	July	.86	.96	.86	.91
.98½	.76	October	.88½	.98½	.88½	.94
		Rye				
.42⅞	.30¼	May	.38¾	.41⅝	.38	.39¼
.42⅝	.31	July	.39¾	.42⅝	.39	.40¼
.44⅛	.34	October	.41⅝	.44⅛	.41	.42

BEAUHARNOIS

To the Holders of the Thirty-Year
6% Collateral Trust Sinking Fund Bonds
Beauharnois Power Corporation Limited:

The Collateral Trust Bond Committee again brings to the attention of Bondholders the vital importance of attending in person or by proxy the Meeting to be held in the Windsor Hotel, Montreal, on Wednesday, May 3rd, next, at 10 a.m. (Daylight Saving Time).

It is not a question of **WHAT** Reorganization Plan shall be adopted: it is a question of **QUORUM.** If there is no quorum, no business can be transacted. If no business is transacted, that is, no reorganization effected, the Enterprise is once more in **jeopardy, because money, in a substantial sum, must be secured** immediately.

It is the duty of the Bondholders to protect the investment by making this Meeting legally capable of functioning.

Full particulars may be obtained from the Royal Trust Company, or any Branch of a Chartered Bank in Canada.

COLLATERAL TRUST BOND COMMITTEE
W. L. Gatehouse, Secretary,
April 28th, 1933. 1619 Royal Bank Bldg., Montreal.

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 207

Notice is hereby given that a Dividend of Two and One-Half per cent upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of June next, to shareholders of record on May fifteenth, 1933.

By Order of the Board.
H. B. HENWOOD,
General Manager.

P. E. I. Butter Output Increases

The production of butter in Prince Edward Island during 1932 amounted to 2,232,180 pounds, or an increase of 258,828 pounds over the previous year's output, it was reported at the recent annual meeting of the Provincial Dairymen's Association.

NOTICES

WANTED — Young, energetic graduate Food Chemist who will commence at low salary but with excellent opportunity of advancement. Box 118, The Financial Post, Toronto, Ont.

TOWN OF KINCARDINE
$9,477.00
5½% Debentures

Ten-year installment plan, tenders received until May 5th, 8 p.m.
WILLIAM BUTLER
Town Clerk

Debentures for Sale

Issued by the Municipality of the Township of Springer, District of Nipissing

Tenders will be received up to 10 A.M., May 1st, 1933, for $15,000.00 of a serial issue bearing 7% interest dated April 1st and fully approved by the Ontario Municipal Board. The township of Springer is assessed for $377,413.00 and has no other debenture debt.

All communications should be addressed to: H. W. Sylvestre, township clerk, Sturgeon Falls, Ont., from whom further information can be had.

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Municipality of the Town of Mimico has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932" by an Order of the Ontario Municipal Board bearing date the 19th day of April, 1933, and from and after the first publication of this notice in the Ontario Gazette, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

Dated this 19th day of April, A.D., 1933.

H. C. SMALL,
Secretary, The Ontario Municipal Board.

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the Municipality of the Village of Long Branch has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of the Ontario Municipal Board bearing date the 25th day of March, 1933, and from and after the first publication of this Notice in the Ontario Gazette, which publication was made on the 22nd day of April, 1933, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

DATED this 25th day of March, A. D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

MR. PICOBAC INVESTIGATES LOCAL CONDITIONS

Mr. Picobac, having done justice to an extraordinarily good dinner at his hotel, proceeded to investigate pipe smoking conditions in the city of London. His first move was to engage the waiter in friendly conversation by asking for a match.

"What is the best selling pipe tobacco in this town?" demanded Mr. Picobac.

"Well, sir," replied the waiter, lowering his voice in strict confidence, "I'll tell you. I don't smoke nothing but cigarettes, myself."

"But Picobac is good for making cigarettes, too," quoth Mr. Picobac, stoutly.

"Don't I know it?" retorted the waiter. "I'm using it all the time!"

• • •

As you know, Mr. Picobac is making a tour of Canada. He'll be in Toronto in a few days. Watch for him. In the meantime get a tin of Picobac tobacco. Try it. Picobac is the pick of Canada's Burley Crop, grown in sunny southern Ontario.

—and don't forget you get more tobacco for your money.

Good for making cigarettes, too.

Handy pocket tin, 15¢
—also in ½ lb. Humidor tins
"IT DOES TASTE GOOD IN A PIPE!"
Picobac
IMPERIAL TOBACCO COMPANY OF CANADA, LTD.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND No. 280

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 29th April, 1933.

By Order of the Board,
W. A. BOG, JACKSON DODDS,
General Manager General Manager
Montreal, 21st April, 1933.

The Guelph Carpet & Worsted Spinning Mills Limited

PREFERRED DIVIDEND No. 16

Notice is hereby given that a dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet and Worsted Spinning Mills Limited, for the three months ended April 30th, 1933, payable May 1st, 1933, to shareholders of record at the close of business April 20th, 1933.

By order of the Board,
B. F. GRIGGS,
Secretary-Treasurer.
Guelph, Ont., April 21st, 1933.

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended March 31st, payable May 15th, to shareholders of record April 28th, 1933.

By Order of the Board,
JAMES WILSON,
Secretary.
Montreal, April 21, 1933.

The Canadian Bank of Commerce

Dividend No. 185

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1933, and that the same will be payable (less five per cent Dominion of Canada tax in the case of non-residents of Canada) at the Bank and its Branches on and after Thursday, 1st June next, to shareholders of record at the close of business on the 30th April, 1933. The Transfer Books will not be closed.

By Order of the Board
S. H. LOGAN
General Manager
Toronto, 21st April, 1933.

The Royal Bank of Canada

DIVIDEND NO. 183

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Thursday, the first day of June next, to shareholders of record at the close of business on the 29th day of April, 1933.

By order of the Board.
M. W. WILSON,
General Manager.
Montreal, Que., April 21, 1933.

Canadian Hydro-Electric Corporation Limited

Notice of Dividend on 6% Cumulative First Preferred Stock

Ottawa, Canada,
April 20, 1933.

The Board of Directors has declared a quarterly dividend of 1½% ($1.50 a share) on the shares of 6% Cumulative First Preferred Stock of the Corporation payable in cash June 1st, 1933, to holders of record of such stock at the close of business May 1st, 1933.

Cheques will be mailed. Stock transfer books will not close.

J. R. Binks,
Secretary.

THIS business, established in 1907, has for 26 years maintained an organization especially designed to render a standardized service to:—

BANKS, TRUST AND INSURANCE COMPANIES, INDUSTRIAL CORPORATIONS, BROKERS, AND INDIVIDUALS

in the Purchase and Sale of Industrial and Public Utility Bonds and Stocks

A. J. Pattison, Jr. & Co. LIMITED

3rd Floor, Royal Bank · Toronto, Can.

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning and operating mills at

Murray Bay, Que. · Sault Ste. Marie, Ont.
Beaupre, Que. · Iroquois Falls, Ont.
Sturgeon Falls, Ont. · Smooth Rock Falls, Ont.
Espanola, Ont. · Fort William, Ont.
Pine Falls, Manitoba

Daily Capacity 2200 Tons Newsprint

Groundwood Pulp · News Sulphite Pulp

High Grade Bleached Sulphite Pulp

C. W. LINDSAY CO. TRADE LAST YEAR RESULTS IN LOSS

Cash Position Strong at Close of 1933 Fiscal Period

From Our Own Correspondent

MONTREAL.—Operating loss of C. W. Lindsay & Co. in the fiscal year ended Feb. 28, 1933, was $161,392 compared with a loss of $64,381 in the previous period. Offsetting the operating loss was other income of $65,115 compared with $139,442 in 1931 which left the net loss for the year at $96,277. This contrasted with a profit of $75,061 in the preceding year.

After payment of bond interest, reserve for depreciation and payment of preferred dividends, now suspended, total loss was $212,569. Previous year's surplus was increased by addition of discount on preferred stock and bonds redeemed, and balance forward at the close of the last fiscal year was $200,328 compared with $348,271.

Profit and Loss

Following is a comparison of profit and loss for the past two years ended February 28.

	1932-33	1931-32
	$	$
Oper. loss	161,392	64,381
Other inc.	65,115	139,442
Net inc.	†9,627	75,061
Bond int.	68,719	64,445
Balance	*164,996	10,616
Deprec., etc.	17,622	18,145
Balance	*172,618	*7,529
Tax adjust.	......	6,226
Balance	*172,618	*13,755
Pfd. divids.	39,951	46,015
Balance	*212,569	*59,770
Com. divids.	......	33,008
Surplus	*212,569	*92,778
Prev. surplus	‡412,897	‡441,049
P. & L. bal.	200,328	348,271

†Net loss. *Deficit. ‡As adjusted.

Working Capital

	1932	1931
	$	$
Current assets	1,600,123	2,029,107
Current liabs.	72,070	91,197
Working capital	1,528,053	1,937,910

Investments Increase

Among assets cash is slightly higher at $79,162 and call loans are double those of the previous year at $150,000. Investments are up $33,000 at $154,360 of which all but $788 comprised Dominion of Canada bonds. Accounts receivable, secured by lien contract, less reserve of $71,275 for cancellation, totalled $1,074,424. This compares with $1,577,173, in the previous year. Inventories are down $42,000 at $136,364 and a mortgage receivable has been reduced by $500,000 to $1,000.

In liabilities payables are slightly lower at $35,491. During the year there were redeemed $174,000 of six per cent first mortgage bonds leaving $900,000 outstanding. There were also redeemed $94,100 of 6½ per cent preferred stock, leaving $589,500 outstanding.

INTER CITY BAKING EARNINGS LOWER DURING PAST YEAR

New Management Takes Over — Many Economies Effected

From Our Own Correspondent

MONTREAL.—Net earnings of Inter-City Baking Co., subsidiary of Lake of the Woods Milling Co. in the year ended January 31, 1933, were $210,330 compared with $331,643 in the previous year. After bond interest and depreciation net profit was $24,594 or the equivalent of $1.15 a share on the common stock as compared with share earnings of $6.79 in the previous period, when disbursements of 4 per cent were made. No dividends were paid last year. From surplus there was written off $44,547 to bring investments down to market value and surplus at profit and loss has been reduced by $20,000 to $125,213.

It is stated in the annual report that during the last few months the company has been completely reorganized under new management, and many economies have been made which will have an effect during the current year. C. H. G. Short has replaced G. C. Morrison as general manager, and Ross R. Hutchison has succeeded A. E. Adams as secretary-treasurer of the company. New additions to the directorate include R. W. Reford, J. W. Pyke, Hugh MacKay, and C. H. G. Short replacing L. M. Strachan, F. C. Strachan, T. W. Cotter, and J. E. Anderson.

Profit and Loss Figures

Following is a comparison of profit and loss for the past two years ended January 31.

	1932-33	1931-32	1930-31
	$	$	$
*Net earn.	210,330	331,643	316,254
Bond int.	85,736	87,133	88,000
Balance	124,594	244,510	228,254
Deprec.	100,000	100,000	100,000
Net profit	24,594	144,510	128,254
Com. div.	......	85,180	85,180
Surplus	24,594	59,330	43,074
Prev. surplus	125,213	122,429	70,354
Balance	149,807	181,759	122,428
‡Writ.-off	44,547	56,546	......
P. & L. bal.	105,260	125,213	122,428

*After all expenses for the year and providing for doubtful accounts and income tax.
‡Investments to present market value.

Working Capital

	1933	1932	1931
	$	$	$
Current assets	287,977	348,018	362,949
Current liabs.	171,500	226,877	212,396
Working capital	116,477	121,141	150,553

Cash Shows Decline

Balance sheet shows cash down $68,000 at $46,160 and accounts receivable slightly higher at $115,956. Investments in bonds and shares are lower by $8,000 at $17,025 while investments in other companies have been reduced by $15,000 to $46,582. Goodwill, organization expense, etc., has been lowered by $1,000 to $1,074,024.

In liabilities accounts payable are down $13,000 at $171,500. During the year, $28,685, of 5½ per cent first mortgage bonds were redeemed leaving $1,544,115 outstanding.

Remarks to Shareholders

In his remarks to shareholders F. S. Meighen, president of the company, said in part:

"During the last few months the company has been completely reorganized under new management, and many economies have been made which will have an effect during the current year.

"The general depression in the districts served by the company's bakeries has caused a lessened consumption of bread. Competitive price-cutting has been very severe, many small cheaply - operated bakeries springing up and selling at ridiculously low prices, and in times like the present, consumers are apparently not concerned with the quality of the bread supplied.

"These factors have caused a considerably less volume of production in the company's shops with a consequent effect on earnings, but when better conditions arrive there should be an improvement in business."

ANGLIN-NORCROSS ISSUES FIGURES FOR 16 MONTHS

First Statement of New Company Shows Profit of $215,934

From Our Own Correspondent

MONTREAL.—Anglin-Norcross Corp. has issued an initial financial statement covering the 16-month period from November 1, 1932, to February 28, 1933. The company is successor to Anglin-Norcross Ltd., which was reorganized late in 1931, cash surplus being distributed to shareholders.

Profit of Anglin-Norcross Corp. in the period under review was $215,934 after providing for expenses and depreciation. Income from investments was $61,559 making a gross income of $277,493. After deduction of estimated income tax of $42,000; depreciation and loss on investment of $95,987 and adding $18,663 received as life insurance on the late J. P. Anglin, net profit for the 16-month period was $158,169. In the previous eight month period net profit was $95,462.

Following is a statement of income covering the 16 months ended February 28, 1933:

Operating profit	$215,934
Income from invest.	61,559
Gross income	277,493
Less: Income tax	42,000
Investment dep.	95,987
Add: Life insce.	18,663
Net profit	158,169
Trans. to reserve	118,663
Balance forward	39,506

Working Capital Position

	16 Mos. to Feb. 28, 1933	8 Mos. to Oct. 31, 1932
	$	$
Current assets	915,684	1,833,373
Current liabs.	308,043	1,480,159
Working capital	607,641	353,214

Balance Sheet Reviewed

Changes in the balance sheet as compared with October 31, 1932, include cash down $175,000 at $45,930; investments at $724,225 against $775,674 and accounts receivable lower by $683,000 at $92,264. An item of goodwill $32,800 has been eliminated from the current balance sheet.

In liabilities accounts payable are down $559,000 at $265,697. Reserve for income tax totals $42,227 and other reserves amount to $368,545.

Buywell Food Earns Preferred Disbursements

From Our Own Correspondent

MONTREAL.—Earnings of Buywell Food markets in the first nine months of its current fiscal year which closes June 30, were sufficient to cover preferred dividends which have been maintained at the regular 7 per cent rate. Sales are reported as being higher in some stores, the increase in dollar volume being achieved in spite of the drop in commodity prices.

It is understood that the company has met with some success in its efforts to raise additional capital through the sale of its securities. After May 1, Buywell Food Markets will be relieved of several obligations that were contracted for when the Stanford's estate was purchased.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING APRIL 24

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % Apr. 22		Sales	Close Apr. 17 (or last)	Week Ending Apr. 24 High	Low	Close
				A					
.50	.12	-	...	Abitibi	....	.15	..	..	..
2¼	1	.	...	Do. pref. 6%	....	1	..	..	..
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
x5	4½	.	...	Agnew Surp.	....	..	..	..	..
60	60	7	...	Do. pref.	....	60	..	..	..
5½	3½	-	...	Alta. Pac. Gr.	330	4½	5½	4	5½
25	20	.	...	Do. pref.	20	20	24	20	24
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
7	3	.	...	Do. pref.	25	5	7	7	7
†3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
.25	.15	.	...	Asbestos	....	.25	..	..	..
.60	.50	.	...	Do. pref.	....	.50	..	..	..
6	3½	.	...	Assoc. Brew.	1045	4	5	4	5
72	65	7	10.8	Do. pref.	....	65	..	..	..
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
130	128	10	7.8	Bk. Can. Nat.	5	128	128	128	128
189	150	8	5.2	Bk. Montreal	284	158	157	150	150
265	236	14	5.8	Bk. N. Scotia	67	241	241	236	236
172	153	10	6.4	Bk. Toronto	25	156	155	153	153
10	10	.	...	Barcelona	....	10	..	..	..
2½	1	.	...	Bathurst Pr.	....	1½	..	..	..
x1½	1½	.	...	Do. (B)	....	..	..	..	..
†26	26	.	...	Bawlf Grain	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
4	3	.	...	Beath & Sons	....	3	..	..	..
5	3½	.	...	Beatty Bros. A	....	4½	..	..	..
57	55	6	10.9	Do. pref.	....	55	..	..	..
1.50	.60	.	...	Beauharnois	7195	.70	.75	.60	.60
x63	60	4	...	Belding Cort.	....	..	..	..	..
89	89	7	7.9	Do. pref.	....	89	..	..	..
100	80	6	7.1	Bell Telephone	1626	81½	86½	81	86
3½	3½	.	...	Biltmore Hats	....	3½	..	..	..
65	62	7	11.3	Do. pref.	....	62	..	..	..
x4	1½	.	...	Bissell, T. E.	....	..	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
1	1	.	...	Blue Ribbon	....	1	..	..	..
17½	10	2	11.8	Do. pref.	50	13	17½	17	17½
20	18½	2	10.5	Brant. Cd. pf.	40	18½	19	19	19
10⅝	7	.	...	Brazilian Tr.	66341	8⅝	10⅝	8	9⅝
.85	.55	.	...	Brew. & Distil.	....	.85	..	..	..
1.12	.12	.	...	Brewing Corp.	355	.75	.75	.30	.30
6¼	¾	.	...	Do. pref.	2966	4	6	4½	5½
10⅛	7½	80c	8.4	Brit. Amer. Oil	20711	8	10½	7⅞	10
2	1	.	...	B.C. Packers	1505	1½	2	1½	2
12½	6	.	...	Do. pref.	....	10½	..	..	..
17⅞	14	2	12.1	B.C. Power A.	945	14⅞	17½	14½	17½
4½	3	.	...	Do. (B)	695	3½	4	4	4
4½	3	.	...	Bruck S. Mills	100	3	4	4	4
12½	10½	1	9.1	Building Prod.	180	10½	11½	10½	11½
28	20	2	8.3	Burt, F. N.	230	23½	25	23½	25
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
2½	1½	.	...	Canada Bread	150	1½	2½	1½	2
68	40	4	10	Do. pref. A.	....	40	..	..	..
10	10	.	...	Do. pref. B.	....	10	..	..	..
7½	5½	60c	9.2	Canada Bud	495	5½	6½	5½	6
3½	2½	.	...	Canada Cement	2595	2½	3½	2½	3½
20½	12	.	...	Do. pref.	750	13½	18	12½	17
b11½	7½	1	9.1	Canada Dry	9500	10⅝	11	9½	10½
4	2	.	...	Can. Forg. (A)	110	4	4	4	4
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
425	425	20	4.7	Canada Life	....	425	..	..	..
17½	13⅝	1.50	8.9	Can. Malting	1087	16	17½	15½	17
13	12	80c	6.7	Can. Nor. Pr.	....	12	..	..	..
75	65	7	9.3	Do. pref.	89	75	75	75	75
†6	⅜	.	...	Can. Paving	....	..	..	..	..
10	4	.	...	Do. pref.	....	4	..	..	..
153	120	10	8.3	Can. Perman.	18	121½	122	121	122
x1.00	.50	.	...	Can. Pr. & Pa.	....	..	..	..	..
1⅞	1¼	.	...	Can. Steamsh's	5	1⅞	1½	1½	1½
4	2	.	...	Do. pref.	95	2	3	2	3
16	13½	1.60	10	Can. Vinegars	320	15	16	14½	16
x55	28½	.	...	Can. W. Cable	....	..	..	..	..
8½	7	.	...	Do. (B)	15	7	7	7	7
x1½	1½	.	...	Can. Bakeries	....	..	..	..	..
5	5	.	...	Do. pref.	....	5	..	..	..
140	122	8	6.5	Can. Bk. Com.	145	122	129	122	122
14½	9	60c	6	Can. Bronze	225	10	10	9	10
81	70	7	10	Do. pref.	25	80	70	70	70
3½	2½	.	...	Can. Canners	100	3	3	3	3
55	48	6	12.5	Do. 1st pfd.	....	48	..	..	..
5½	3⅜	20c	4.4	Do. 2nd pfd.	1160	3½	4½	3⅜	4½
4⅛	3	.	...	Can. Car & F'y	1025	3	3½	3	3½
12	9½	1.75	17.1	Do. pref.	1160	9½	11½	9½	10½
9½	6½	.	...	Can. Celanese	29	7½	7½	7½	7½
84	70	7	9.3	Do. pref.	30	73½	75	75	75
16	8	2	12.5	Can. Convert.	105	8	16	15	15
‡50	45	.	...	Can. Cottons	....	..	..	..	..
47	47	6	12.8	Do. pref.	....	47	..	..	..
14½	10	1	...	Can. Dredge	420	12½	14½	12½	14
†92	92	7	...	Do. pref.	....	..	..	..	..
x68	60	6	...	Can. Fairb. pf.	....	..	..	..	..
2½	2½	.	...	Can. For. Inv.	....	2½	..	..	..
35	35	2½	...	Do. pref.	....	35	..	..	..
107	100	4	3.7	Can. Gen. Elec.	4	100	107	107	107
56½	50	3.50	6.7	Do. pref.	65	52	54	52	52
x3½	3½	.	...	Can. G. Inv. T.	....	..	..	..	..
41	34	6	15	Can. Hyd. E. p	340	37½	41	37½	41
2½	1½	.	...	Can. Ind. Alc.	860	2	2	2	2
1.75	.90	.	...	Do. (B)	25	1.00	1.00	1.00	1.00
†5.00	3.95	.	...	Can. Int. L. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
x21	15	1	...	Can. Lt. & Pr.	....	..	..	..	..
x1½	1	.	...	Can. Locomo.	....	..	..	..	..
x25	5	.	...	Do. pref.	....	..	..	..	..
b1½	1⅛	.	...	Can. Marconi	18349	⅞	1½	1⅛	1½
10	6½	50c	6.6	Canadian Oil	205	6½	9½	6½	9½
96	80	8	9.5	Do. pref.	40	90	85	80	84
16½	9	.	...	Can. Pacific	28740	10½	13⅝	9½	13
1	1	.	...	Can. Vickers	....	1	..	..	..
5	5	.	...	Do. pref.	....	5	..	..	..
3	1½	20c	6.7	Can. Wineries	160	2½	3	2	2
5	3	.	...	Can. Wire Box	20	4	5	5	5
8	5½	.	...	Catelli Mac A.	245	8	6	5½	6
†5	5	.	...	Do. (B)	....	..	..	..	..
†301	290	8	...	Cent. Can. L'n	....	..	..	..	..
.90	.50	.	...	Chem. Research	700	.53	.70	.59	.70
.80	.20	.	...	Claude Neon	....	.20	..	..	..
6½	3	.	...	Cockshutt Plow	4130	5	6½	4½	6½
¼	½	.	...	Comm. Alcohol	....	½	..	..	..
1	1	.	...	Conduits	....	1	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
6	2	.	...	Cons. Bakeries	1345	4	6	3½	5½
1½	½	.	...	Cons. Indust.	....	½	..	..	..
x4	4	.	...	Cons. Paper	....	..	..	..	..
5	3	.	...	Cons. Press	....	3	..	..	..
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
90	54	10%▲	...	Cons. Smelters	24950	71½	90	69½	86½
181	170	10	5.7	Consumers' Gas	134	176	177	173	177
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
1⅜	1½	.	...	Cosgrave Brew.	....	1½	..	..	..
3	2	.	...	Cosmos Imp.	70	2	2	2	2
47½	39	3.50	8.9	Do. pref.	....	39	..	..	..
3½	1½	.	...	Crown Dom. Oil	125	1½	2½	2	2½
20	10	.	...	Crow's N. Coal	26	12	11	10	11
				D					
1½	1½	.	...	David & Fre. B.	....	1½	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
x15	10	.	...	Do. pref.	....	..	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
†10	10	.	...	Do. pref.	....	..	..	..	..
5½	4	.	...	Distill-Seagram	742	4½	4½	4½	4½
5	5	.	...	Dodge (A) pf.	....	5	..	..	..
x2	1½	.	...	Do. (B)	....	..	..	..	..
148	125	10	7.9	Dom. Bank	44	128	128	125	125
18	12½	2	12.7	Dom. Bridge	2722	14⅝	17⅞	14	16½
x4	4	.	...	Dom. Coal	....	..	..	..	..
12	8	.	...	Dom. Engineer.	60	8	12	12	12
58	35	5	9.8	Dom. Glass	415	38	51	37	50
102	98	7	6.9	Do. pref.	10	101	101	101	101
2½	1	.	...	Dom. Motors	165	1⅛	1⅛	1	1
2	1½	.	...	Dom. Pr. Stubs	....	2	..	..	..
1.12	.50	.	...	Dom. St. & C B	1320	.60	.70	.55	.55
18½	12½	1.20	6.3	Dom. Stores	3570	17	18½	16½	17⅞
1½	1	.	...	Dom. Tar & Ch.	....	1	..	..	..
10	5	.	...	Do. pref.	....	10	..	..	..
52½	39	4	9.7	Dom. Textile	709	39	43	40	43
97½	93½	7	7.5	Do. pref.	18	97½	93½	93½	93½
†12	10	.	...	Donnacona	....	..	..	..	..
1½	¾	.	...	Dryden Paper	310	1	1½	1	1½
1	1	.	...	Duff. Paving	....	1	..	..	..
10	5	.	...	Do. pref.	....	8	..	..	..
				E					
x30	3	.	...	East. Koot. Pr.	....	..	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
5	1½	.	...	East Dairies	20	2	2	1½	2
x9½	9½	.	...	East. Steel	....	..	..	..	..
x74	74	7	...	Do. pref.	....	..	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
†85	80	7	...	Do. pref.	....	..	..	..	..
x1	1	.	...	Easy Washer	....	..	..	..	..
8	7	75c	9.4	Economic Inv.	....	8	..	..	..
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
½	½	.	...	Enam. & Heat.	....	½	..	..	..
8	5	.	...	Eng. Electric	....	8	..	..	..
1½	1½	.	...	Do. (B)	....	1½	..	..	..
				F					
4	4	.	...	Fam. Players	....	4	..	..	..
x10½	7½	.	...	Do. Vot. Tr.	....	..	..	..	..
11	8½	1	9.1	Fanny Farmer	10	9	11	11	11
28	23	2.40	8.7	Do. pref.	....	27½	..	..	..
†83½	75	.	...	Firstbrook Box	....	..	..	..	..
8	6	.	...	Ford Motors A	5355	6½	7⅝	6½	7⅝
1½	1½	.	...	For. Pr. Secs.	....	1½	..	..	..
x9	4	.	...	Foundation Co.	....	..	..	..	..
.30	.25	.	...	Fraser Cos.	....	.30	..	..	..
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
x37	35	.	...	Do. pref.	....	..	..	..	..
				G					
1.25	.70	.	...	Gen. St. Wares	65	.80	1.25	1.00	1.25
67½	40	2.40	3.9	Goodyear Tire.	387	55	65	55	62
91	80	7	8.2	Do. pref.	77	82½	86	82	86
†93½	93½	.	...	Gould Pumps, p	....	..	..	..	..
⅜	⅜	.	...	Gt. W. Saddlery	....	⅜	..	..	..
x8	5	.	...	Do. pref.	....	..	..	..	..
7½	4	.	...	Gurd, Chas.	430	5	5	4	4
106	100	7	...	Do. pref.	....	..	..	..	..
2½	1½	.	...	Gypsum, Lime.	2461	1⅝	2	1⅝	2
				H					
3½	2½	.	...	Ham. Bridge	....	2½	..	..	..
60	44½	.	...	Do. pref.	....	..	..	..	..
5½	4	.	...	Ham. Cot. pf.	50	5	4	4	4
2½	2	.	...	Ham. U. Theat.	....	2	..	..	..
53	50	7	...	Do. pref.	....	..	..	..	..
50	50	.	...	Hillcrest Coll.	....	..	..	..	..
91	91	.	...	Do. pref.	....	..	..	..	..
3	2	.	...	Hinde & Dauch	....	2	..	..	..
75	75	.	...	Holt Renfrew	....	..	..	..	..
96½	90	.	...	Do. pref.	....	..	..	..	..
⅛	⅛	.	...	Honey Dew	....	⅛	..	..	..
7	5	.	...	Do. pref.	10	7	6	6	6
3	1½	.	...	H. Smith Pap.	220	1½	3	1½	3
12	8	.	...	Do. pref.	....	8	..	..	..
17	14½	2	12.7	Humberstone S	5	15½	15½	15½	15½
8	4½	50c	11.1	Hunt (A)	....	4½	..	..	..
5	5	50c	10	Do. (B)	....	5	..	..	..
120	80	7	8.2	Huron & E. Mt.	....	85	..	..	..
18	14	.	...	Do. 20% pd.	....	16	..	..	..
6	6	.	...	Hydro Electric	....	6	..	..	..
				I					
158	123	10	7.8	Imperial Bank.	183	126	128	126	126
11½	7½	50c	4.9	Imperial Oil	76679	8½	11½	8½	10⅝
9	7	35c*	4.1	Imperial Tob.	1813	8⅞	9	8	8⅞
†80	80	8	...	Inter. Coal, p.	....	..	..	..	..
x6	6	.	...	Int. Hyd. E. A.	....	..	..	..	..
102	98	7	6.9	Inter. Mill. pf.	10	102	101	101	101
85½	84	6	7	Do. Series A	....	85½	..	..	..
15.50	8.00	.	...	Inter. Nickel	341148	11.90	15.50	11.40	15.00
x4	4	.	...	Inter. Paints	....	..	..	..	..
b1½	½	.	...	Int. Pa. & Pr A	1900	1	1½	¾	1
b1½	½	.	...	Do. (B)	1100	½	½	½	½
b1½	½	.	...	Do. (C)	1500	½	½	½	½
b4½	2	.	...	Do. pref.	5000	2½	3½	2½	3
15½	10⅛	1	6.5	Inter. Pete.	25624	13⅝	15½	12⅝	15
x2½	2½	.	...	Inter. Power	....	..	..	..	..
10	10	.	...	Do. pref.	....	10	..	..	..
7	5½	.	...	Int. Util. (A)	226	5½	6	5½	6
1½	1	.	...	Do. (B)	100	1½	1	1	1
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
75	70	7	10	Do. pref.	....	70	..	..	..
				K					
1½	⅜	.	...	Kelvinator	30	⅜	1	1	1
57	57	7	...	Do. pref.	....	57	..	..	..
				L					
9	5	.	...	Lake of Woods	1455	6	9	6	8½
34	30	.	...	Do. pref.	....	30	..	..	..
80	80	6	7.5	Landed Bank	....	80	..	..	..
40½	36	3	7.9	Laura Secord	140	38	40	36½	39
1½	1½	.	...	Lindsay, C. W.	....	1½	..	..	..
25	25	.	...	Do. pref.	....	25	..	..	..
12	10½	80c	6.7	Loblaw (A)	2027	11½	12	11	12
11½	10½	80c	7.2	Do. (B)	215	10½	11½	10½	11
‡2½	2½	.	...	Loew's, London	....	..	..	..	..
				M					
†25	19	.	...	MacKin. Steel	....	..	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
x5	2	.	...	Maple Leaf	....	..	..	..	..
6½	5	.	...	Do. pref.	25	6	5	5	5
6	6	.	...	Marcus Loew's	....	6	..	..	..
35	35	.	...	Do. pref.	....	35	..	..	..
4	2½	.	...	Massey-Harris	5275	3½	4	3	3½
10	7	60c	6.3	McColl Fron.	5664	7½	10	7½	9½
61	54½	6	10.5	Do. pref.	65	54½	59	54½	59
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
4½	2	.	...	Mitchell, Robt.	25	2½	4	4	4
†1	1	.	...	Monarch Knit.	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
x75	45	.	...	Montreal Cot.	....	..	..	..	..
x75	65	7	...	Do. pref.	....	..	..	..	..
¼	¼	.	...	Montreal Exhib	....	¼	..	..	..
11	5	.	...	Mont. Is. Pr.	....	..	..	..	..
32½	26⅛	1.50	5.1	Mont. L. & Pr.	12841	27½	29⅞	27	29⅞
42	42	3+.25	7.7	Montreal Loan	....	42	..	..	..
43	42	3.20	7.6	Montreal Tele.	43	43	42	42	42
100	70	9	12.8	Montreal Tram	116	70	70	70	70
7	4	.	...	Moore Corp.	1432	5⅝	6	5½	6
79½	65	7	10.4	Do. pref. (A)	45	67	67	65	65
86½	70	7	9.7	Do. pref. (B)	5	72	72	72	72
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
1	½	.	...	Muirheads	25	1	1	1	1
7	5	.	...	Do. pref.	....	7	..	..	..
				N					
18	14½	1.60	9.4	Nat. Breweries	8783	15½	18	15½	18
30	27	1.75	5.8	Do. pref.	385	29	30	29	30
x½	½	.	...	Nat. Brick	....	..	..	..	..
x3	3	.	...	Do. pref.	....	..	..	..	..
16	15	2.40	16	N. Sew. Pipe A	....	15	..	..	..
9	5	.	...	Nat. Steel Car.	1700	6	7	6	7
212	185	10	5.4	National Tr.	....	185	..	..	..
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
x20	16	.	...	Do. pref.	....	..	..	..	..
1.50	.75	.	...	North Star Oil	700	.75	.75	.75	.75
3.00	1.75	35c	..	Do. pref.	100	1.75	2.25	2.25	2.25
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
				O					
125	100	8	6.8	Ogilvie Flour	61	115	125	113	125
115	108	7	6.3	Do. pref.	....	111	..	..	..
5½	4	.	...	Ont. Eq. 10% p	25	5	5½	5½	5½
105	104	6	5.8	Ontario Loan	....	104	..	..	..
x7	5	.	...	Ont. Silknit	....	..	..	..	..
†16	13	.	...	Ont. Steel	....	..	..	..	..
‡105	105	.	...	Do. pref.	....	..	..	..	..
⅜	⅜	.	...	Orange Crush	....	⅜	..	..	..
x48	18	.	...	Do. (A)	....	..	..	..	..
½	½	.	...	Do. (B)	....	½	..	..	..
88	84	6	6.8	Ott. L. H. & P.	....	84	..	..	..
90	84	6.50	7.7	Do. pref.	....	84	..	..	..
8	5	.	...	Ott. Traction	....	5	..	..	..
				P					
53½	40	3	6.8	Page Hersey	1230	42	48	40	48
b2⅜	⅛	.	...	Paramount	....	⅛	..	..	..
x20	20	.	...	Paton Mfg.	....	..	..	..	..
†94	94	7	...	Do. pref.	....	..	..	..	..
.25	.20	.	...	Pelissiers	....	.20	..	..	..
†30	25	.	...	Do. pref.	....	..	..	..	..
28	20	3	12	Penmans	10	25	25	25	25
75	65	6	9	Do. pref.	....	66	..	..	..
9½	8	.	...	Photo Eng.	90	8	9	8½	9
†70	64	7	...	Porto Rico Pr. p	....	..	..	..	..
b7⅞	4	.	...	Postal Tele. p.	....	..	..	..	..
8⅜	6	.	...	Power Corp.	2261	6½	8	6½	7½
38½	28½	6	...	Do. pref.	48	28½	28½	28½	28½
1	¾	.	...	Prairie C. Oil.	25	¾	1	1	1
16	8	.	...	Pressed Metals	110	8	8	8	8
4½	2	.	...	Price Bros.	....	2	..	..	..
x2	2	.	...	Do. pref.	....	..	..	..	..
				Q					
14	11	1	8	Quebec Power	621	11½	12½	11½	12
				R					
95	85	7	8.2	Real Estate L'n	....	85	..	..	..
.65	.50	.	...	Regent Knit.	....	.50	..	..	..
x10	5½	.	...	Reliance Grain	....	..	..	..	..
8½	7	1	11.8	River. S. Mills	5	7½	8½	8½	8½
5	5	1	20	Robinson Cone	....	5	..	..	..
1½	¾	.	...	Rogers Majes.	100	¾	1½	1½	1½
143	123	8	6.4	Royal Bank	434	125	127	123	124
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
x33	32½	.	...	Russell Motor	....	..	..	..	..
45	30	4	13.3	Do. pref.	....	30	..	..	..
				S					
x4	3	.	...	Sarnia Br. A.	....	..	..	..	..
x1	1	.	...	Do. (B)	....	..	..	..	..
3⅜	2½	.	...	Serv. Station	520	2½	3	2½	3
25	20	.	...	Do. pref.	....	21	..	..	..
13½	9½	50c	4.1	Shawinigan	11672	11	13	10½	12
8	4	.	...	Sher.-Wms.	205	5½	7	5½	7
60	39	.	...	Do. pref.	65	40	40	39	40
x17	5	.	...	Simon & Son	....	..	..	..	..
x80	60	.	...	Do. pref.	....	..	..	..	..
12	6	.	...	Simpson, Ltd.	....	7½	..	..	..
†44½	36	.	...	Do. (A)	....	..	..	..	..
x9	9	.	...	Do. (B)	....	..	..	..	..
74	46½	6	12.9	Simpson, R., p.	....	46½	..	..	..
16	12	1	8.2	So. Can. Pr.	265	12	14	12	12½
79	68	6	8.6	Do. pref.	98	69	70	68½	70
.35	.15	.	...	St. Law. Corp.	605	.25	.30	.25	.25
1⅞	1	.	...	Do. (A)	....	1½	..	..	..
15	15	1.50	10	St. Law. Flour	....	15	..	..	..
92	92	7	7.6	Do. pref.	75	..	92	92	92
4½	2½	.	...	St. Law. Pa. p	40	3	3	3	3
5	4	50c	...	Stand. Chem.	45	..	5	4	4
1	¼	.	...	St. Pav. & Mat.	460	¼	1	¼	1
x46	25	.	...	Do. pref.	....	..	..	..	..
2⅜	1	.	...	Stand. Steel	....	1½	..	..	..
†35	30	.	...	Do. pref.	....	..	..	..	..
20½	14½	1.20	6.3	Steel of Can.	3190	15½	20½	14½	20½
28½	24½	1.75	6.5	Do. pref.	120	27½	28½	26½	27
x1½	½	.	...	Sterling Coal	....	..	..	..	..
x300	200	.	...	Sun Life Ass.	....	..	..	..	..
14	11	1	7.3	Sup. Pete. ord.	790	12	14	12½	14
13	11¾	1	8.5	Do. com.	....	11¾	..	..	..
97	93	7	7.3	Do. pref.	5	97	96	96	96
				T					
40	40	.	...	Tamblyn	....	40	..	..	..
88	82	7	8.5	Do. pref.	20	83	82	82	82
10	10	■87½c	...	Thayers, pf.	....	10	..	..	..
3	1	.	...	Tip Top Tailors	35	2	3	2	3
35	35	.	...	Do. pref.	....	35	..	..	..
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
15	12½	1	...	Tor. Elevators	15	15	15	15	15
167	138	8	5	Tor. Gen. Tr.	20	150	160	160	160
98½	90	6	6.7	Toronto Mtge.	....	90	..	..	..
x½	½	.	...	Traymore	....	..	..	..	..
2	2	.	...	Do. pref.	....	2	..	..	..
110½	107	7	6.4	Tuckett Tob. p	35	108½	110	110	110
1⅜	1	.	...	Twin City	....	1½	..	..	..
b7½	6⅛	.	...	Do. pref.	....	..	..	..	..
				U					
4	2½	.	...	Union Gas	....	2½	..	..	..
x100	85	.	...	Union Trust	....	..	..	..	..
†8	8	.	...	United Fuel	....	..	..	..	..
9½	4½	.	...	Do. pref.	....	4½	..	..	..
7	7	.	...	Un. Amuse. A	....	7	..	..	..
20	19½	2	10	United Secs.	....	20	..	..	..
				V					
2	2	.	...	Viau Biscuit	....	2	..	..	..
x75	59	.	...	Do. pref.	....	..	..	..	..
				W					
7	4	.	...	Wabasso Cot.	160	4	4½	4	4½
6½	4	.	...	Walker-Good.	6523	5½	6½	5	5½
11	9½	1	9.6	Do. pref.	2698	10	10½	9½	10½
1½	1½	.	...	Waterloo Mfg.	....	1½	..	..	..
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
5	4	.	...	West. C. Flour	47	5	4⅜	4⅜	4⅜
55	53½	3	5.6	Do. pref.	....	53½	..	..	..
9½	8	.	...	West. Grocers	105	9	9½	9	9½
55	54	7	12.9	Do. pref.	....	54	..	..	..
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
20½	17	1	5.9	Weston Bisc.	....	17	..	..	..
71	67	7	10.4	Do. pref.	....	67	..	..	..
3	3	.	...	Windsor Hotel	....	3	..	..	..
10	5	.	...	Do. pref.	....	5	..	..	..
3½	1	.	...	Winnipeg Elec.	820	2	2½	2½	2½
8	3½	.	...	Do. pref.	110	4½	4½	3½	3½
†46	46	.	...	Woods Mfg. p.	....	..	..	..	..
				Z					
x1	1	.	...	Zimmerknit, c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
▲ Stock dividend.
♦ On account of arrears covering quarter ended June 30, 1932.
* Plus final dividend of 17½c. paid Mar. 31.
■ Covers payment due Jan. 3 last and deferred; paid Mar. 15, 1933.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto

April 25, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.50	.80
Acadia Sugar 6% pfd.	2.80	3.15
Acme Farmers Dairy 7% pfd.	50.50	....
Acme Glove pfd. bonus c.	5.50	8.00
Agnew Surpass 7% pfd.	60.00	65.00
Allens London 7% pfd. bonus c.	31.00	....
Allens St. Cath. 7% pfd. bonus c.	31.00	....
Allens Toronto 7% pfd. bonus c.	16.50	....
Andian Nat. Corp.	20.00	22.00
Atlantic Sugar "A" pfd.	70.25	77.50
B.C. Pulp & Paper pfd.	4.25	8.00
Burns pfd. bonus com.	2.00	3.00
Canada & Dom. Sugar	23.25	24.25
Canada Mach. c.	2.75	5.00
Canada Mach. pfd.	15.25	....
Canada Pack. c.	17.50	22.50
Canada Pack. pfd.	80.00	....
Canada Starch 7% pfd.	62.00	68.00
Canada Tea 7% pfd.	....	49.00
Canada Wire & Cable 6½% pfd. W.W.	29.00	34.00
Can. Industries c. "A"	70.00	....
Can. Industries c. "B"	69.00	72.00
Can. Industries 7% pfd.	116.50	120.00
Can. Westing.	36.00	39.00
Claude Neon Gen. Adv. Units	....	13.00
Cons. Div. Standard Sec. pfd.	5.00	....
Dodge Mfg. "A" pfd.	6.00	....
Dom. Foundries & Steel 8% pfd.	....	59.50
Dom. Foundries & Steel c.	2.00	4.50
Dom. Mfrs. 7% pfd.	67.00	....
Dunlop Tire 7% pfd.	33.50	40.00
Eastern Dairies Ltd. 7% pfd.	....	47.00
Edmonton Stockyards Units	38.50	52.00
Federal Grain 6½% pfd.	15.00	21.00
A. J. Freiman pfd.	30.00	40.00
Gen. Steel Wares pfd.	5.00	6.00
Goderich Elevator & Transit	4.00	5.50
Greening Wire 7% pfd.	....	50.00
Guelph Carpet 6½% pfd. bonus	62.50	72.00
Guelph Carpet c.	4.00	....
Inter. Proprietaries "A"	22.00	23.00
Langley's Ltd. 7% pfd.	24.25	....
Loew's London c.	.45	.90
Loew's London 7% pfd.	3.25	4.25
Loew's Toronto 7% pfd.	....	60.00
Massey-Harris 5% pfd.	14.00	....
Medical Arts pfd. bonus c.	95.00	....
Mount Royal Hotel com.	.30	.60
Mount Royal Hotel 6% pfd.	....	3.75
Nat. Grocers c.	.50	.90
Nat. Grocers 7% 2nd pfd.	40.00	44.00
Neilson, Wm., c.	3.50	....
Paramount Kitchener pfd.	26.50	....
Paramount Oshawa com.	1.75	....
Paramount Oshawa pfd.	26.50	....
Provincial Paper 7% pfd.	30.00	32.50
Reliance Grain 6½% pfd.	42.00	....
Rolland Paper 6% pfd. W.W.	15.00	22.00
Standard Clay Products c.	....	14.50
Standard Fuel 6½% pfd. bonus	55.25	59.50
Stop & Shop Ltd. com.	1.75	3.00
Ind. Stock cont'd.	**Bid**	**Asked**
Supersilk pfd. bonus	25.00	30.50
Supertest Petroleum "B"	17.50	20.00
Toronto Carpet c.	40.00	....
Toronto Carpet pf.	40.00	....
Toronto Elevators 7% pfd.	70.00	72.50
Un. Grain Grow.	10.75	....
Western Grain 6½% pfd. bonus	12.00	16.50
Western Grocers pfd.	54.00	60.00
Willards Choc. pf.	....	14.00
Insurance Stocks:		
Br. Amer. Assce.	32.00	40.00
Canada Life Ass.	....	387.00
Can. Fire Ins.	47.00	55.00
Confederation Life 20% pd.	....	127.00
Continental Life 20% pd.	32.00	42.00
Crown Life Ins.	85.00	110.00
Dom. Fire Ins.	83.00	....
Dom. Life 50% pd.	151.00	225.00
Dom. of Can. Gen. Ins.	....	104.00
Empire Life 25% pd.	8.50	12.00
Excelsior Life 30% pd.	75.00	90.00
Fidelity Ins. Co.	45.00	....
Great West Life Assce.	235.00	243.00
Guar. Co. of N.A.	240.50	....
Imperial Life	250.00	260.00
Mfrs. Life Ins.	230.00	250.00
Monarch Life 10% pd.	15.00	17.50
National Life 25% pd.	65.00	69.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	13.75	18.00
Sun Life Assur.	275.00	300.00
Western Assur. c.	13.75	....
Western Life 20% pd.	7.25	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	150.00	160.00
Can. Gen. Inv. Ltd.	2.90	3.10
Chartered Trust	....	62.00
Debenture & Sec. 5% pfd.	9.00	....
Eastern Can. Sav. & Loan	111.00	116.00
Eastern Trust	135.50	141.00
Guelph & Ont. Inv. par $50	....	50.00
Investment Foundation Units	17.00	22.00
Lambton Loan & Savings	53.00	60.00
London & Western Trust	....	70.00
Mtge. Disc. pfd.	....	2.00
Premier Trust	75.00	....
Provincial Bank	86.00	93.00
Security Loan & Savings	99.25	....
Sherbrooke Trust	101.00	111.00
Sterling Trust	....	50.00
Traders Fin. c.	....	.50
Traders Finance 7% "A" pfd.	18.00	21.00
Trusts & Guar.	27.00	31.00
Victoria Trust & Savings	130.50	137.00
Waterloo Trust & Savings	....	103.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	88.00	90.00
Calgary Power 6% pfd.	63.00	....
Can. Light & Power c.	21.00	....
Can. West. Nat. Gas LH&P c.	21.00	....
Can. West. Nat. Gas LH&P pfd.	67.00	71.00
Maritime Tel. & Tel. c.	7.00	8.25
Maritime Tel. & Tel. 7% pfd.	10.50	11.50
N.B. Telephone c.	6.25	7.50
Nor. Ont. Pwr. c.	9.50	....
N.S. L&P 6% pf.	67.50	72.00
Recent London Quotations:		
Brewers & Distillers		4s. 6d.
Can. & For. Secs.		3s. 6d.
Can. West. Lumber		9d.
Hudson's Bay		17s. 6d.
Do., 5% pref.		62s. 6d.
Internat. Holdings		$1
Nfld. Pr. & Pap. deb. stock "B"		90½
Trust & Loan of Can.		6d.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited) April 25, 1933

Industrial Bonds:	Bid	Asked
Abitibi, P. & P. 5% 1953	13.50	15.00
Acadia Sugar 6% 1946	84.00	87.00
Alta. Pac. Grain 6% 1946	78.00	82.00
American Sales Book 6% 1939	103.00	....
Arnold Bros. 6% 1947	33.00	....
B. A. Oil 5% 1945	89.50	92.00
Can. Biscuit 6½% 1946	13.00	16.00
Can. Bread 6% 1941	80.00	83.00
Can. Cement 5½% 1947	51.00	54.00
Can. Steamship 6% 1941	19.00	22.00
Can. Bakeries 6½% 1945	45.00	50.00
Can. Canners 6% 1950	74.50	77.00
Can. Copper Refin. 6% 1945	103.00	....
Can. Cottons 5% 1940	83.00	86.00
Can. Vickers 6% 1947	50.00	53.50
Cons. Invest. 4½% 1959	25.00	28.00
Cosmos Imp. Mills 6½% 1944	79.00	83.00
Davies, Wm. 6% 1942	88.00	90.00
Debenture & Sec. 4% 1936	52.00	55.00
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	55.00	57.50
Dom. Telegraph 5½% 1978 "A"	86.00	....
Dom. Textile 6% 1949	98.00	101.00
Dom. Woollens 6% 1948	13.00	15.00
Donnacona Paper 5½% 1948	15.00	17.00
Eaton Realty 5% 1949	80.00	82.00
Famous Players 6% 1948	40.00	43.50
Federal Grain 6% 1949	78.00	81.00
Firestone Tire 7% 1937	110.00	....
Fraser Co. 6% 1932	8.00	11.00
Fraser Co. 6% 1950	8.00	11.00
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	99.00	....
Great Lakes Paper 6% 1950	15.50	17.00
Gypsum, Lime & Alab. 5½% 1948	26.00	30.00
Harris Abattoir 6% 1947	88.00	90.00
Howard Smith 5½% 1953	56.00	58.50
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	33.00	36.00
Maple Leaf Milling 5½% 1949	....	30.00
Massey-Harris 5% 1947	53.00	....
McColl-Frontenac 6% 1949	82.00	85.00
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	....	30.00
Metropolitan Bldg. 7% 1944	80.00	85.00
Northern Ontario Bldg. 6½% 1939	60.00	63.00
Price Bros 6% 1943	27.00	29.00
Richmond Bay 6½% 1947	59.00	64.00
Simpsons Ltd. 5½% 1949	38.00	41.00
Simpsons Ltd. 6% 1949	43.00	45.00
Steel of Canada 6% 1940	103.00	105.00
Toronto Carpet 6% 1944	75.00	85.00
United Gas & Fuel 5½% 1948	50.00	52.00
United Grain Growers 5% 1948	77.00	78.50
United Grain Growers 5½% 1949	79.00	81.00
Wabasso Cotton 7% 1942	63.00	....
Western Grain 6% 1949	62.00	65.00
Public Utility Bonds:		
Bell Telephone 5% 1955	99.00	103.00
Bell Telephone 5% 1957	98.50	102.50
B. C. Power 5½% 1960	81.00	83.00
B. C. Telephone 5% 1960	86.00	88.50
Calgary Power 5% 1960	76.00	79.00
Can. Northern Pwr. 5% 1953	72.00	74.50
Duke Price Pwr. 6% 1966	59.00	63.00
French Nat'l. Mail S.S. 6% 1952	116.00	....
Gatineau Pwr. 6% 1941 "A"	53.00	56.00
Gatineau Pwr. 5% 1956	72.00	75.00
Maclaren Quebec 5½% 1961	68.50	71.00
Manitoba Power 5½% 1951	23.50	28.00
Montreal Isl. Pwr. 5½% 1957	92.00	95.00
Montreal LH&P 5% 1951	100.00	103.00
Montreal LH&P 5% 1970	98.00	102.00
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	65.00	67.00
Northwest. Utilities 7% 1938	89.00	92.00
Ottawa Valley Pwr. 5½% 1970	95.00	97.50
Quebec Power 5% 1968	84.00	87.00
Rio Tramways 5% 1935	96.00	100.00
Shawinigan W&P 4½% 1970	63.00	65.00
Shawinigan W & P 5% 1970	71.00	74.00
Shawinigan W&P 6% 1937	82.00	84.00
Southern Can. Pwr. 5% 1955	97.00	100.00
West Kootenay Pwr. 5% 1956	87.00	91.00
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	97.50	98.50
C. N. R. 4½% 1957 Dom. Gtd.	97.00	98.00
C. N. R. 5% 1969 Dom. Gtd.	102.00	103.50
C. P. R. 4½% 1944	62.00	65.00
C. P. R. 6% 1942	86.50	88.50
Dom. of Can. 5% 1936	102.00	103.00
Dom. of Can. 5% 1941	102.00	103.00
G. T. P. 3% 1962 Dom. Gtd.	79.00	81.00
G. T. P. 4% 1962 Dom. Gtd.	91.50	93.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	90.00	91.00
Ont. Hydro 4½% 1970 Ont. Gtd.	97.00	98.50
Ont. Hydro 4% 1957 Ont. Gtd.	88.50	....
Prov. of N. B. 5% 1957	97.50	99.50
Prov. of Ont. 5½% 1947	105.00	106.00
Prov. of Ont. 5% 1948	101.00	102.00
Prov. of Ont. 5½% 1946	105.00	106.50

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

April 25, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	80.00	6.05
Alberta	5	1 July, 1943	1 July	86.00	6.90
Alberta	6	1 Mar., 1947	1 Sept.	95.50	6.49
*British Columbia	4½	1 Oct., 1953	1 Oct.	82.50	5.99
*British Columbia	5	15 Jan., 1948	15 July	87.00	6.35
British Columbia	6	15 Feb., 1947	15 Aug.	96.50	6.38
Manitoba	4	1 July, 1947	1 July	79.00	6.22
*Manitoba	5	2 Dec., 1959	2 June	86.00	6.06
Manitoba	6	1 Apr., 1947	1 Oct	95.00	6.55
*New Brunswick	4	1 June, 1948	1 June	89.30	5.00
*New Brunswick	4½	15 June, 1936	15 June	99.25	5.00
New Brunswick	5½	1 May, 1950	1 May	102.50	5.28
*Nova Scotia	4½	15 Nov., 1948	15 May	98.50	4.64
Nova Scotia	5	1 May, 1943	1 May	100.50	4.93
*Ontario	4½	1 Sept., 1944	1 Sept.	100.00	4.50
Ontario	5	15 Oct., 1948	15 Oct	102.00	4.81
Ontario	5½	1 Feb., 1947	1 Aug.	106.25	4.88
P. E. I.	4	1 Apr., 1939	1 Oct.	94.85	5.00
P. E. I.	6	1 May, 1947	1 May	107.35	5.25
*Quebec	4½	1 May, 1961	1 May	98.00	4.37
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	79.00	6.25
*Saskatchewan	5	1 Nov., 1959	1 May	85.00	6.15
Saskatchewan	6	15 Mar., 1952	15 Sept	92.50	6.70
*Newfoundland	5	31 Dec., 1952	30 June	69.00	8.18
*Newfoundland	5½	1 July, 1939	1 July	74.00	11.25
*Newfoundland	6½	30 June, 1936	30 June	83.00	13.25
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	101.00	4.93
*Toronto	4½	1 Jan., 1955	1 July	97.00	4.72
*Vancouver	5	15 Jan., 1970	15 July	83.00	6.17
Winnipeg	5	1 Mar., 1944	1 Sept.	90.15	6.25
*Edmonton	5½	1 Apr., 1947	1 Oct.	82.85	7.50
Calgary	5	1 Jan., 1943	1 July	79.60	8.00
Halifax	6	1 July, 1951	1 July	107.55	5.35
Saint John	5	15 Dec., 1950	15 June	96.35	5.25
Regina	4½	1 July, 1950	1 July	71.00	7.50
Victoria	5	21 July, 1945	21 July	87.30	6.50
Quebec	5	1 June, 1948	1 June	101.00	4.90

*Payable in New York.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Beatty Bros. pref.	6%	1½%	May 1	Apr. 15
Belding Corticelli, c.	4%	1%	May 1	Apr. 15
Bank of Montreal	8%	2%	June 1	Apr. 20
Bank of Toronto	10%	2½%	June 1	May 15
B. C. Telephone, 2nd pfd.	$6	$1.50	May 1	Apr. 15
Can. Dredge, pref.	7%	1¾%	May 1	Apr. 13
Canadian Bronze	60c	15c	May 1	Apr. 20
Do. pref.	$7	$1.75	May 1	Apr. 20
Calgary Power, pref.	6%	1½%	May 1	Apr. 15
Can. Invest. Fund spec. sh.	...	*5c	May 1	Apr. 15
Coast Breweries	92c	23c	May 1	Apr. 20
Can. Bank of Commerce	8%	2%	June 1	Apr. 30
Can. Converters	$2	50c	May 15	Apr. 30
Can. Hydro-Elec., 1st pfd.	6%	1½%	June 1	May 1
Dominion Scottish Invest., pfd.	$1	25c	May 1	Apr. 20
Dominion Bridge	$2	50c	May 15	Apr. 29
Eastern Theatres c.	$2	50c	June 1	Apr. 29
Guelph Carpet, pfd.	6½%	1⅝%	May 1	Apr. 20
Humberstone Shoe	$2	50c	May 1	Apr. 15
Inter. Nickel, pref.	7%	1¾%	May 1	Apr. 1
Imperial Bank	$10	$2.50	May 1	Mar. 31
Mortgage Corp. of N.S.	$7	$1.75	May 1	Apr. 24
McIntyre Porc. Mines	$1	25c	June 1	May 1
Do., extra	...	25c	June 1	May 1
National Biscuit, c.	$2.80	70c	July 15	June 16
Do., pref	$7	$1.75	May 31	May 15
Quebec Power	$1	25c	May 15	Apr. 28
Penmans	$3	75c	May 15	May 5
Do., pref.	$6	$1.50	May 1	Apr. 21
Royal Bank	8%	2%	June 1	Apr. 29
Russell Motor, pref.	$4	$1	May 1	Apr. 21
Shawinigan W. & P.	50c	12c	May 15	Apr. 21
St Lawrence Flour	$1.50	37½c	May 1	Apr. 20
Do., pref.	7%	1¾%	May 1	Apr. 20
Simpson, Robt., pref.	$6	$3	May 1	Apr. 15
Southern Can. Power c.	$1	25c	May 15	Apr. 29
Steel of Canada	$1.20	30c	May 1	Apr. 7
Do., pref.	$1.75	43¾c	May 1	Apr. 7
Sec. Std. Royalties, pfd.	12%	1%	May 1	Apr. 24
Teck Hughes	60c	15c	May 1	Apr. 13
Weston, Geo., pfd.	7%	1¾%	May 1	Apr 20

*Initial.

Dividend Rate Reduced:
Steel of Canada, c. May 1, $1.75 to $1.20 per annum.
Can. Bronze, c., May 1, $1.25 to 60c per annum.
Belding Corticelli, c., May 1, 7% to 4% per annum.
Russell Motor, pref. May 1, 7% to 4% per annum.
Bank of Montreal, June 1, 10% to 8% per annum.
Can. Bank of Commerce, June 1, 10% to 8% per annum.
Royal Bank, June 1, 10% to 8% per annum.

Dividends Passed or Deferred:
MacKinnon Steel, pref. May 1, deferred. Last paid 87½c. Feb. 1, 1933.

Extra Dividends:
McIntyre Porc. Mines June 1, 12½c + 12½c.

Listed Bond Quotations

Week Ending April 24

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	1933 Low
Abitibi, 1st mtge.§	5	1953	...	13	...	...	13	13
Asbestos	5	1942	...	21	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19½	19½
Can. Pr. (Laur.)	5½	1958	...	†5	...	...	*7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	1.00	...	...	1.50	1.00
Mex. L. & Pr	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	41	41½	41	43	39⅝
Mont. Tr. 1st mtg.§	5	1941	5.54	95½	...	...	98½	96½
Mont Trams. "A"§	5	1955	8.70	66	64	...	77⅛	58
Do., G. & Ref. "B"§	5	1955	7.47	...	...	...	73½	...
Do., "C"	4½	1955	9.03	...	...	...	57	57
Do., "D"	5	1955	7.14	...	...	...	77⅛	76½
N. S. Steel	5	1959	...	†78	...	...	*62½	59
Ontario Steel	6	1943	...	80	...	...	*100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	...	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	109.00	114.25	....	116.25	114.25
Victory Loan	5½	1933	4.50	100.00	100.55	100.00	100.75	100.00
Do.	5½	1934	4.31	101.40	....	....	102.60	101.35
Do.	5½	1937	3.03	110.00	110.50	110.25	110.50	109.75
Do., refund	4½	1940	4.50	99.75	....	....	101.25	99.70
Do., refund	5	1943	4.66	102.60	....	....	103.37	101.85
Do., refund	4½	1944	4.53	99.25	....	....	99.75	98.75
Do., refund	4½	1946	4.55	99.00	....	....	*92.25	91.50
Do., renewal	4	1952	4.60	92.25	....	....	93.25	91.63
Conversion Loan	4½	1956	4.60	....	....	....	98.50	97.00
Do.	4½	1957	4.78	97.25	....	....	98.26	96.00
Do.	4½	1958	4.62	98.00	....	....	99.37	97.75
Do	4½	1959	4.59	98.00	98.75	98.62	100.15	97.50
Nat. Service Loan.	5	1936	4.17	102.25	102.37	....	103.25	101.50
Do.	5	1941	4.57	102.50	....	....	103.75	100.75
Dom. Loan	4	1935	4.00	99.50	....	....	99.75	99.75

†Latest ask ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York

Winnipeg Stock Exchange

(Transactions for week to April 22)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Apr. 22
..	..	Assoc. Breweries, c.	85	5	5	5
..	..	Alta. Pac. Oil	140	.08½	.08½	.08½
..	..	Bobjo	250	.13	.13	.13
4	..	Canadian Fire	20	45	45	45
35c	..	North Star Oil, pfd.	20	1½	1½	1½
..	..	Do., com.	96	½	½	½
..	..	San Antonio	605	1.01	1.00	1.00
1.25	12.1	United Grain	2	10½	10½	10½
..	..	Western Grocers, c.	100	10½	10½	10½
..	..	Winnipeg Elec., pref.	20	5	4½	4½

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumber pf.	..	65	Northern Trust	..	21
Beaver Fire	..	100	Sovereign Life 25% pd.	11	14
City Dairy 7% pf.	..	35	West. Breweries	..	½
City Dairy 8% pf	..	40	Traders' Bldg. Ass.	..	72
Cres. Cream. pfd.	..	35	Can. Amer. Tr. shs.	..	2⅞
Home Investment	20	..	Fundamental Ser. A	..	3⅜
Great West Life	..	245	Fundamental Ser. B	..	3⅜
Nor. Mtg. part pd.	..	5	Group Inc. shs.	3.85	3.75
Pelissiers, pref.	10	20			

*Stocks more active on other exchanges not included.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

AUTOS FINANCED GREATER IN NUMBER

In March, for the first time in the past three years, the number of new cars financed is greater than in the corresponding month of the previous year. New cars and trucks financed numbered 1,651 in March, compared with 1,631 in March, 1932, an increase of 1.2 per cent. Used cars financed were also greater in number, the comparative figures being 3,563 and 3,319, an increase of 7.4 per cent.

The dollar value of financing in March was lower, however, for both new and used cars, the former declining from $1,060,440 in March, 1932, to $914,609 and the latter from $964,196 to $849,815, decreases of 13.8 and 11.9 per cent respectively.

In the first quarter of 1933 a total of 11,498 cars were financed for $3,939,482, compared with 13,172 cars for $4,999,212 in the first quarter of 1932.

HONEY DEW HAS REDUCED PROFIT; CASH IS LOWER

Sues for Alleged Misrepresentation on Purchase of U. S. Rights

Operating profit of $57,985 of Honey Dew Ltd., in 1932 is entirely a result of reduction in operating expenses. Gross sales dropped to $1,078,137 from $1,312,827 in 1931 and after deduction of expenses and depreciation the company had a loss of $13,504 as compared with net profit of $147,784 in 1931. Reduction in sales was due in part to decline in mid-afternoon and evening business; sales of the western subsidiary were down and a cool summer affected the volume of Honey Dew sold.

No provision was made for depreciation in value of investments in and advances to subsidiary companies which are carried at $324,394. The company is suing to recover $600,000 damages for alleged misrepresentation and breach of warranty in connection with the purchase in July, 1928, of United States rights. The suit is directed at F. J. Ryan and Don E. Ryan, directors of the company, and J. McCarthy, who in turn are asking for the balance of the purchase price not yet paid.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1932 $	1931 $
Gross sales	1,078,137	1,312,827
Less: Oper. expenses.	1,020,152	1,076,667
Operating profit	57,985	236,160
Add: Int. earned	419	1,727
Net earnings	58,404	237,887
Less: Depreciation	71,908	73,853
Res. for income tax	......	16,250
Net profits	*13,504	147,784
Less appropriations: Div. on pref.	......	105,000
Surplus for period	*13,504	42,784
Add: Prev. surplus	199,914	160,468
Less: Adj. of inc. tax	3,618	3,338
Balance forward	182,792	199,914

*Loss.

Cash on hand is down to $13,074 from $76,149 and inventories to $41,527 from $45,058. Accounts payable have been reduced to $38,302 from $52,282 and reserve for taxes to $3,700 from $16,250. Included in current liabilities is a balance of $175,227 owing on purchase of United States rights at present in litigation. In 1931 this was carried as a non-current liability of $200,000. Working capital position is as follows:

WORKING CAPITAL

	1932 $	1931 $
Current assets	56,440	124,767
Current liabs.*	42,002	94,782
Working capital	14,438	29,985
Ratio	1.34—1	1.30—1

*Balance owing on the purchase of U. S. rights of $175,227 in 1932; and $200,000 in 1931, not included.

Fixed assets of the company are shown at $295,701 after reserve for depreciation of $326,482. Rentals have been scaled down in a number of cases and all but one of the company's six leases in Western Canada expire this year and renewals are being negotiated on a lower level. The company has 33 stores in Ontario and Quebec; four stores in Vancouver, two in Winnipeg and five in New York State and Pennsylvania. A number of summer stands and concessions are also operated and plans for distribution of Honey Dew through outside agencies in the United States are being made. There remain outstanding 15,000 shares of no par class A preference stock and 108,500 shares of no par common stock.

TORONTO GROCERS GET RELIEF SALES

Supplying Goods to 25,000 Families Through Voucher Plan

Retail grocers in Toronto are now getting a share of over $3,000,000 annual relief business which was formerly all going through the House of Industry central warehouse, according to Canadian Grocer, Toronto.

The grocers supply goods to the 25,000 families now on relief, by taking House of Industry vouchers from those entitled to food. In return they must supply only the exact list of goods specified for each type of voucher by the Public Welfare Board. Grocers must have licenses from the board to supply the goods, and must abide by the strict rules laid down by them. It is estimated that a profit of 15 per cent over wholesale cost will accrue to grocers.

Menus will be changed by the Welfare Board, as circumstances permit. The grocers' charges to the board for supplying each menu are to vary each month on the basis of lowest wholesale costs.

The Public Welfare Department in each city district will have a list of grocers who have been licensed to supply relief goods. Grocers may display a sign in their stores indicating that they are licensed, but must not advertise the fact in any other way, on penalty of losing their licenses.

Grocers applying for licenses must agree: not to supply inferior grades of food; that money will not be given in return for vouchers; that articles not supplied will not be charged for; that standard weights and measures will be used, and that supplies will be charged for at the total order price indicated on vouchers.

Public Utility Earnings

Mexico Tramways, Light & Power Group

	1933 $	1932 $	Decrease $
February:			
Mexico Tramways & subsids.:			
Gross earn.	224,861	296,740	71,879
Op. & depr. exp.	301,637	354,943	53,306
Net earn.	*76,776	*58,203	18,573
Aggre. gross from Jan. 1	469,630	636,758	167,128
Aggre. net from Jan. 1	159,513	*113,742	45,771
Mexican Light & Power & Subsids.:			
Gross earn.	766,775	905,880	139,105
Op. & depr. exp.	488,323	543,645	55,322
Net earn.	278,452	362,235	83,783
Aggre. gross from Jan. 1	1,585,643	1,919,893	334,250
Aggre. net from Jan. 1	605,266	788,158	182,892

*Deficit.

Can. Western Natural Gas

	1932 $	1933 $	Increase $
January	296,761	299,064	2,313
February	338,591	314,774	*23,817
Aggregate from 1st Jan. to 28th Feb.	635,342	613,838	*21,504

*Decrease.

Canadian Western Lumber
Statement of lumber manufactured, sales and price realized.

	1932 feet	1933 feet	Decrease feet
February			
Lumber mfd.	9,005,794	8,546,400	459,394
Lumber sold	8,070,983	9,167,200	*1,096,217
Price realized	$96,178	$95,663	$515
Aggre. mfd.†	17,230,158	16,390,527	839,631
Aggre. sold†	15,966,784	13,350,978	2,615,806
Price realized†	$195,882	$141,821	$54,061

*Increase.
†From Jan. 1 to end of Feb.

May Dividend Payments Amount To Only $3,000,000

Dividends to be paid by Canadian corporations during May will amount to a comparatively small sum since no large payments are scheduled for this month. Announcements of dividends declared indicate payments will be approximately $3,000,000 as compared with $4,674,523 disbursed in May, 1932, and $5,300,000 disbursed in May, 1931. Relatively few companies make distributions in this month and the number of changes in dividend rates is therefore small.

MacKinnon Steel Corp. preferred dividends have been passed and this action follows the reduction in the dividend rate announced for January. Dividend rate has been reduced on the preferred stock of Russell Motor Car Co., from 7 per cent to 4 per cent. Dividends have also been reduced on the common stocks of Steel Co. of Canada, Canadian Bronze Co., and Belding-Corticelli Ltd. The annual rate paid on the Steel Co. of Canada common has been reduced to $1.20 from $1.75; on the Canadian Bronze Co. common to 60 cents from $1.25 and on the Belding-Corticelli Co. common to 4 per cent from 7 per cent.

Dividend payments to be made during May have been announced as follows:

SUMMARY OF PAYMENTS

Dividends	$ 2,930,648
Bond interest	49,762,149
Total	52,692,797

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Beatty Bros. pref.	$1.50q	1	$ 16,993
Belding Corticelli c.	$1q	1	7,495
B.C. Tel. 2nd pfd.	$1.50q	1	67,500
Calgary Pwr. pref.	$1.50q	1	90,000
Can. Bronze	15c.q	1	12,000
Do., pref.	$1.75q	1	12,600
Can. Converters	50c.q	15	8,667
Can. Dredge pref.	$1.75q	1	1,459
Coast Breweries	2½c.q	1	41,449
Dominion Bridge	50c.q	15	256,975
Dom. Scot. Inv. pfd.	25c.q	1	14,925
Guelph Carpet pfd.	1⅜q	1	12,096
Humberstone Shoe	50c.q	1	10,000
Imperial Bank	$2.50q	1	175,000
Inter. Nickel pref.	$1.75q	1	483,486
Mtge. Corp. of N.S.	$1.75q	1	11,900
Penmans	75c.q	15	48,388
Do., pref.	$1.50q	1	16,125
Quebec Power	25c.q	15	138,299
Russell Motor pref.	$1q	1	12,000
Shawinigan W. & P.	12c.q	15	261,390
2nd Std. Royalties pfd.	1%	1	28,333
Simpson, Robt., pref.	$3s	1	100,500
Southern Can. Pr. c.	25c.q	15	100,000
St. Law. Flour	37½c.q	1	4,500
Do., pref.	$1.75q	1	10,062
Steel of Can.	30c.q	1	168,000
Do., pref.	43¾c.q	1	113,685
Teck Hughes	15c.q	1	721,071
Weston, Geo., pref.	$1.75q	1	15,750
			2,930,648

q—Quarterly. s—Half-yearly.

BOND INTEREST DUE IN MAY

Company	Rate	Date	Due	Amount
Alexandra Apts.	6½	15	1940	$ 9,782
Architects Bldg.	6	1	1945	21,000
Bay St. Albans	6½	1	1948	6,370
Belding Corticelli	5	1	1936	3,425
B. C. Pulp	6	1	1950	99,630
Bell. Tel. "C"	5	1	1960	187,500
Brant. Roofing 'A'	6½	1	1950	19,012
Bruck Silk Mills	6½	1	1945	15,525
B.C. Veneer Wks.	5	1	1957	1,250
Calgary Brew.	5	1	1942	16,512
Canada Cement 'A'	5½	1	1947	515,148
Can. Nor. Pr. 'A'	5	1	1953	375,000
Can. Nor. West. Rly.	4½	1	1943	62,997
Can. Copper Ref.	6	1	1945	73,500
Connors Bros.	6½	1	1938	4,875
Consol. Apts.	6½	15	1951	7,897
Cosmos Imperial	6½	15	1944	26,988
Davies, Wm., "A"	6	1	1942	45,000
Dominion Park	7	1	1936	2,100
Dredging Contract.	6½	1	1947	16,250
Duke Price Pr. 'A'	6	1	1966	1,082,850
East. Can. Coastal St.	6	15	1949	16,500
East. Dairies 'A'	6	1	1949	90,000
Econ. Inv. Tr. 'A'	5	1	1957	24,750
Gen. St. Wares 'A'	6	1	1962	234,840
Granite Club	6½	1	1941	8,178
Gr. Lakes Power	6	1	Serial	53,850
Hinde & Dauch 'A'	5½	1	1948	35,460
Hydro-El. Bond 'A'	5	1	1957	81,250
Inter. City W. Bak.	6½	1	1950	48,750
Jones Bros. of Can.	6½	15	1946	8,378
Kingston Elevator	6	1	1950	43,710
London Realty	6½	1	1960	39,000
Mayor Bldg.	6½	1	1942	19,093
Do., gen. mtge.	7	1	1947	10,500
Mercury Mills 'A'	5½	1	1953	36,712
Montreal Cotton	5	1	1943	11,715
Mont. Is. Pr. 'A'	5½	1	1957	254,375
Nat. L. & Pr. 'A'	6	1	1949	66,405
Nor. Can. Pr.	6	1	1953	67,500
Nor. Ont. L. & Pr.	6	1	1953	105,000
Price Realty	5½	1	1946	20,625
Paton Mfg.	6	1	1958	22,326
Penmans	5½	1	1951	51,282
Porto Rico Pr.	5	1	1936	43,962
Do., refund	5	1	1962	24,332
Do., debs.	6	1	1950	30,000
Provincial Pap. 'A'	5½	1	1947	106,548
Queen's Hotel	6	1	1947	30,000
Randolph Hotel	6½	1	1947	7,897
Shawinigan "B"	4½	1	1968	358,132
Sher. St. Realty	6½	1	1940	21,937
Traymore Coll. Tr.	7	1	1935	5,208
University Tower	6	1	1960	37,500
United Grain 'B'	5½	1	1949	18,718
United Secs. "A"	5½	1	1952	94,270
Do., "B"	5½	1	1952	42,267
Van. Island Trans.	7	1	1948	17,500
Wabasso Cot.	7	1	1942	18,900
Corporation bonds				4,799,916
Municipal bonds				7,476,635
Provincial bonds				6,592,659
Victory Loan	5½	1	1933	4,674,224
Do.	5½	1	1934	6,218,802
Nat. Ser. Loan	5	15	1936	1,988,880
Do.	5	15	1941	3,541,575
Conversion Loan	4½	1	1956	970,328
Do.	4½	1	1957	844,272
Do.	4½	1	1958	6,225,482
Do.	4½	1	1959	6,429,876
				49,762,149

B. C. Fruit Harvest Large

British Columbia contributed nearly half of the cultivated fruit of the Dominion last year, according to the latest report of the Dominion Bureau of Statistics, furnishing a value of $4,617,657 out of $10,077,907. The other provinces contributed as follows: Ontario, $3,194,300; Nova Scotia, $1,470,500; Quebec, $630,250 and New Brunswick, $165,200.

PRAIRIE CITIES EARNINGS DOWN WRITE-OFF BIG

Reduces Accounts Receivable By $112,000 Reserve For Bad Debts

Net earnings of Prairie Cities Oil Co. showed a small decline in 1932 to $107,826 from $112,254 in 1931 and fixed charges were lower so that net loss was reduced to $43,832 from $71,713 except for an increased provision for bad debts. This provision amounted to $112,000 as compared with $12,000 in 1931 and is a reflection of conditions in the territories served by the company in Western Canada. It is stated that it is difficult to estimate the ultimate realization value of accounts incurred in previous years. As a result of the provision for bad accounts the company ended the year with a loss of $155,832 which increased the deficit carried forward to $404,611.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1932 $	1931 $
Net earnings	107,826	112,254
Less: Deprec. res.	88,471	83,547
Bond interest	39,797	43,108
Bank int. etc.	26,697	40,538
Org. exp. w/o	1,693	1,693
Prov for bad debts	112,000	12,000
Fire loss adjust.	......	3,101
Net loss for year	155,832	71,713
Add: Previous deficit	248,779	177,066
Deficit forward	404,611	248,779

Cash position shows little change at $5,969 while inventories are down to $109,243 from $118,216. Accounts receivable are shown at $844,924 from which is deducted $311,787 as reserve for bad debts and profit on goods shipped on a consignment basis. At the end of 1931 receivables amounted to $664,400. Bank loans and overdraft have been reduced to $108,027 from $208,905; accounts payable are up to $586,393 from $498,351. Current liabilities therefore exceed current assets.

Working Capital

	1932 $	1931 $
Current assets	653,299	799,004
Current liabilities	697,451	710,628
Working capital	*44,152	88,376

*Excess of current liabilities over current assets.

No increase has been made to fixed assets which are carried at $1,304,333 after reserve for depreciation. Cash held by trustee is shown at $39,848 and deferred charges are $54,860. There remains outstanding $559,500 of 6½ per cent first mortgage bonds of a subsidiary Petroleum Realty Corp., a reduction of $63,000 in 1932. There are outstanding 50,000 shares of class A stock and 10,000 shares of class B stock of no par value.

Mining Stock Quotations

Week Ending April 24.

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 17 (or last)	High for week	Low for week	Close Apr. 24
1	.05	.02	Abana	.....	.03	.....	.....	.....
1	.01½	.00½	Aconda	.....	.01	.....	.....	.....
No	*.15	.15	Aldermac	.....	.....	.....	.....	.....
1	.03½	.01	Alexandria	22,000	.02½	.02½	.02	.02½
No	.05½	.02½	Algoma	48,000	.02½	.05	.02½	.03
1	.01	.00½	Algonquin	2,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Amity C.	1,000	.01	.01	.01	.01
No	.25½	.10	Amulet	35,720	.17	.20	.16	.20
1	.01	.00½	Apex	.....	.00½	.....	.....	.....
1	.03½	.02	Area	.....	.02½	.....	.....	.....
No	.04½	.01½	Arno	98,500	.02½	.02½	.02½	.02½
1	1.36	.74	Ashley Gold	2,700	1.35	1.35	1.25	1.28
1	.14	.02½	Bagamac	28,800	.07	.08	.06½	.07½
1	.03	.00½	Baldwin	3,500	.00½	.00½	.00½	.00½
1	.20	.08	Barry Hollinger	84,450	.11½	.12½	.10	.10
No	1.26	.75	Base Metals	13,200	.80	1.26	1.00	1.25
No	1.00	.98	Beattie	.....	.98	.....	.....	.....
1	1.29	1.25	Bear Exp. & Rad.	10,000	.....	1.29	1.25	1.26
1	.21	.08	Big Missouri	32,200	.13½	.19	.13½	.16
1	.18	.08½	Bobjo	48,600	.13	.14	.12½	.13½
No	4.40	2.28	Bralorne	26,435	3.30	4.40	3.33	4.25
1	.25	.15	Brett Trethewey	5,400	.18	.20	.17	.19
1	.03½	.01½	Brownlee	6,000	.02½	.02½	.02	.02½
1	.01	.00½	Buckingham	.....	.00½	.....	.....	.....
No	.04½	.02	Buffalo Can.	.....	.02½	.....	.....	.....
No	.03½	.01½	Bunker Hill	24,500	.02½	.03	.02½	.03
5s	.65	.60	B'Wana McKubwa	.....	.65	.....	.....	.....
No	.04	.02½	Canam Metals	500	.02½	.04	.04	.04
1	.12½	.03	Can. Kirkland	5,618	.05½	.05½	.04	.05
1	.01	.00½	Capital Rouyn	.....	.00½	.....	.....	.....
1	.03½	.01	Cartier Malartic	20,000	.01	.01	.01	.01
1	.38	.15	Castle Trethewey	198,400	.25	.38	.23	.37
1	.15	.06	Cen. Manitoba	35,950	.09½	.12	.09	.11
1	.28	.17	Cen. Patricia	18,300	.17	.20	.17½	.20
No	.11	.03	Chibougamau Pros.	9,500	.07	.07½	.07	.07
	.10½	.04	Church. M. & Mill.	.....	.04	.....	.....	.....
No	.02½	.00½	Clericy	13,000	.01½	.01½	.00½	.01½
	.01½	.01	Clifton Cons.	.....	.01	.....	.....	.....
5	3.25	1.65	Coast Copper	4,800	2.85	3.25	2.70	3.25
1	.05	.00½	Cobalt Contact	51,000	.02	.05	.01½	.03½
1	.11	.05	Columario	27,700	.06	.07½	.05½	.07
5	1.05	.75	Coniagas	.....	.75	.....	.....	.....
No	.45	.20	Coniaurum	5,500	.35	.40	.35½	.40
25	90.00	54.00	Cons. Smelters	24,950	71.50	90.00	69.50	86.50
No	20.75	13.60	Dome Mines	73,622	17.75	20.75	17.60	19.50
No	.08	.03½	Dom. Explorers	75,700	.03½	.08	.03½	.05½
1	.01	.00½	Dominion Kirk.	.....	.01	.....	.....	.....
1	.04	.01	Don Rouyn	9,000	.01	.01	.01	.01
1	.04½	.02	Duparquet	2,500	.02	.02	.02	.02
1	1.61	1.16	Eldorado	56,940	1.34	1.60	1.34	1.45
No	3.15	1.80	Falconbridge	61,374	2.65	3.15	2.65	2.99
1	.02½	.01	Federal	.....	.01½	.....	.....	.....
No	.02½	.01½	Flintoba	.....	.02½	.....	.....	.....
No	.03	.01	Gilbec	58,800	.02½	.03	.02½	.02½
1	.07	.04	Goldale	17,000	.06	.06½	.06	.06½
10	.15	.10	Goldfield	2,000	.10	.15	.15	.15
	.01½	.01	Gold Reef	.....	.01	.....	.....	.....
1	.04½	.02	Goodfish	1,000	.02	.02½	.02½	.02½
1	.03½	.01	Graham	2,000	.02	.02	.02	.02
1	1.95	1.19	Granada	60,265	1.40	1.53	1.35	1.49
1	.08	.06	Grozelle	2,000	.07	.07	.07	.07
1	.30	.24	Halcrow Swayze	21,300	.28½	.30	.28½	.30
1	.04½	.02	Harker	17,500	.04	.04½	.03½	.04½
1	.01½	.00½	Hilltop	3,500	.01	.00½	.00½	.00½
5	9.35	6.00	Hollinger	93,403	8.20	9.35	7.90	8.90
1	.95	.61	Howey Gold	141,350	.72	.88	.68	.80
No	6.75	3.10	Hudson Bay	37,135	4.60	6.75	4.40	6.50
No	.40	.25	Huronian	.....	.34	.....	.....	.....
No	15.50	8.00	Int. Nickel	341,148	11.90	15.50	11.40	15.00
1	.02	.00½	Jackson Manion	4,000	.00½	.00½	.00½	.00½
1	.40	.20	Keeley	4,405	.30	.40	.35	.40
1	.02	.00½	Keora Mines	2,000	.00½	.01	.01	.01
1	.76	.48	Kirk. Hud. Bay	1,250	.50	.55	.52	.55
1	.02½	.00½	Kirk. Hunton	3,000	.00½	.00½	.00½	.00½
1	.52	.30	Kirkland Lake	34,350	.36½	.41½	.34	.38
1	.03	.01½	Kirkland Premier	.....	.01½	.....	.....	.....
1	.22½	.12	Kirk. Townsite	26,400	.19	.19½	.17	.19½
20c	.01½	.00½	Koot. Florence	62,000	.00½	.01½	.00½	.01½
1	*.01½	.01½	La Rose	.....	.....	.....	.....	.....
1	.35	.18	Lakeland	200	.19	.18	.18	.18
1	.18	.08	Lake Maron	199,000	.14	.13	.10	.11
1	40.00	30.75	Lake Shore	32,719	34.50	39.75	34.75	37.00
1	.07½	.02½	Lebel Oro	26,500	.04½	.05	.04½	.05
1	.38	.20	Macassa	135,021	.35	.38	.32	.36½
1	.11	.05	Malartic	80,100	.09	.11	.08	.10
1	.02½	.01	Malrobic	38,500	.01½	.02	.01½	.01½
No	.08	.02½	Mandy	8,000	.06	.06½	.05½	.06
No	.03	.01	Manitoba Basin	13,500	.01½	.01½	.01	.01½
5	29.75	21.20	McIntyre	59,339	25.25	29.75	25.00	28.25
1	.50	.30	McKinley	450	.46	.45	.41	.41
No	.08	.02½	McLeod River	71,000	.03	.03½	.03	.03½
1	.11	.03	McMillan	5,250	.08	.11	.09	.11
No	.75	.46	McWatters	15,900	.55	.60	.53	.59½
1	.41	.15	McVittie	45,150	.39½	.41	.37	.40
5	1.00	.06	Mentor Exp. & Dev.	.....	.55	.....	.....	.....
No	1.80	1.20	Mining Corp.	27,900	1.40	1.70	1.40	1.60
1	.03	.01½	Moffatt Hall	42,300	.02½	.02½	.02	.02½
1	.06½	.02	Moneta	2,500	.02½	.03½	.03½	.03½
1	.00½	.00½	Montreal Rouyn	.....	.00½	.....	.....	.....
1	.40	.12	Moss	81,700	.14½	.15	.13½	.13½
1	.02½	.00½	Murphy	4,500	.01½	.01½	.01	.01
No	.05	.02½	Newbec	11,500	.02½	.03	.02½	.03
1	.06	.01½	Night-Hawk Penn.	4,000	.03½	.03	.03	.03
5	2.00	1.15	Nipissing	29,810	1.60	2.00	1.55	1.85
No	28.25	19.75	Noranda	101,418	23.75	28.25	23.75	27.00
No	.52	.32½	Nor. Canada	9,100	.38	.42	.39	.42
No	.23	.19½	Normont-Gold	3,000	.20½	.21	.19½	.21
No	.02½	.00½	Old Colony	47,000	.01½	.01½	.01½	.01½
1	.14	.05	Osisko	.....	.08	.....	.....	.....
1	.26	.11	Parkhill	73,800	.25½	.26	.24½	.25
1	.03½	.01½	Pawnee Kirk.	5,500	.02½	.02½	.01½	.02½
1	1.00	.50	Pend Oreille	33,340	.75	1.00	.75	.95
1	.01½	.00½	Peterson Cobalt	16,000	.01	.01½	.01½	.01½
1	8.00	4.30	Pioneer Gold B.C.	42,659	7.25	8.00	7.20	7.70
1	.01½	.00½	Porcupine Crown	.....	.00½	.....	.....	.....
1	.01	.00½	Potter Doal	9,000	.00½	.00½	.00½	.00½
1	.82	.55	Premier Gold	26,600	.60	.74	.61	.71
1	.02½	.00½	Preston E. Dome	.....	.00½	.....	.....	.....
No	.95	.68	Prospectors Air's	500	.80	.80	.80	.80
No	*1.00	1.00	Quebec Pros.	.....	.....	.....	.....	.....
No	.15	.03	Quemont	1,000	.10	.10	.09	.09
1	.02½	.00½	Ribago	2,000	.00½	.01	.01	.01
1	.03	.01½	Ritchie	17,500	.02	.02	.02	.02
1	.04	.01	Robb Montbray	.....	.01½	.....	.....	.....
1	1.21	.75	San Antonio	60,850	1.03	1.10	.98	1.05
1	.03	.03	Seven Troughs	.....	.03	.....	.....	.....
1	.55	.33	Sherritt Gordon	117,767	.45	.55	.44	.55
1	1.77	1.25	Siscoe	216,125	1.57	1.67	1.48	1.61
1	.10½	.03	South Keora	.....	.03½	.....	.....	.....
No	.06	.01½	Stadacona	163,900	.02½	.02½	.02½	.02½
1	.14	.07	St. Anthony	2,500	.08	.09	.07	.09
No	1.19	.60	Sudbury Basin	76,245	.91	1.10	.91	1.08
1	.06½	.00½	Sudbury Contact	24,000	.05½	.05½	.04½	.05½
1	.01½	.00½	Sudbury Mines	.....	.00½	.....	.....	.....
No	.16½	.16½	Sudbury Nickel	.....	.16½	.....	.....	.....
1	.38½	.20	Sullivan	44,750	.32	.35	.28	.31
1	1.21	.72	Sylvanite	94,900	.88½	1.00	.85	.95
1	.03½	.01½	Tashota	.....	.01½	.....	.....	.....
	.18½	.15½	Tashota Goldfield	.....	.18½	.....	.....	.....
1	5.10	2.70	Teck Hughes	106,945	4.40	4.72	4.05	4.50
1	.10	.03	Thom. Cadillac	3,000	.04½	.05	.05	.05

Par Val.	Range 1933 High	Low	Company	Sales	Close Apr. 17 (or last)	High for week	Low for week	Close Apr. 24
1	.20	.10	Towagmac	800	.15	.17	.17	.17
1	2.00	1.00	Treadwell	700	1.25	1.45	1.25	1.36
1	.08	.04	United Kirkland	2,000	.07	.08	.06½	.07
1	.06½	.01½	Vacuum Gas	5,500	.02	.02½	.01½	.02½
No	2.40	2.30	Venezuela Gold	.....	2.35	.....	.....	.....
No	1.28	.80	Ventures	178,815	1.01	1.19	1.00	1.13
1	.22	.09	Vickers	700	.10	.10	.10	.10
1	.41½	.20	Vipond	14,954	.39	.39	.35	.38
No	.75	.35	Waite Ackerman	2,350	.50	.75	.50	.50
1	.04½	.02½	White Lake	500	.03½	.03½	.03½	.03½
1	.08	.02	Wiltsey Coughlan	1,000	.06	.06	.06	.06
1	.12	.07	Wood Kirkland	15,500	.11	.11½	.11	.11½
No	5.10	3.73	Wright-Hargreaves	157,345	4.63	5.10	4.40	4.90
			OIL STOCKS					
No	.12	.08	Acme Gas & Oil	17,400	.08½	.10	.08½	.10
1	.82	.55	Ajax	6,900	.56	.62	.55	.62
1	.10	.05	Alta. Pacific	3,500	.07	.10	.06	.09
1	.07½	.05	Amalgamated	1,146	.06	.06	.05	.05
No	.07	.04½	Associated	5,100	.05½	.05½	.04½	.05½
No	.02½	.01	Baltac	2,500	.01½	.01½	.01½	.01½
1	*.05	.02½	Brit. Dominion	.....	.....	.....	.....	.....
No	.35	.25	Calgary & Ed.	1,150	.28	.33	.31	.33
1	.05	.03	Calmont	2,995	.03	.04½	.04	.04½
1	.06	.03½	Common. Pete.	.....	.03½	.....	.....	.....
No	.20	.05	Dalhousie	3,200	.14	.15	.15	.15
No	.02	.02	Devenish	.....	.02	.....	.....	.....
No	*.02	.00½	Dome Oil	.....	.....	.....	.....	.....
No	.08	.05½	East Crest	1,600	.06	.07	.07	.07
	.25	.25	Erie Gas	.....	.25	.....	.....	.....
No	.00½	.00½	Fabyan Pete.	30,000	.00½	.00½	.00½	.00½
No	.10	.06	Foothills	.....	.06	.....	.....	.....
No	.05½	.04	Freehold	.....	.04½	.....	.....	.....
1	*.02	.00½	Great West	.....	.....	.....	.....	.....
No	.01½	.01½	Hargal	2,100	.....	.01½	.01½	.01½
No	*.05	.02	High Sarcee	.....	.....	.....	.....	.....
No	.48	.30	Home	3,150	.41	.48	.37	.48
No	*.05	.01½	Homestead	.....	.....	.....	.....	.....
1	.20	.10	Homest'd O. & G.	5,000	.11	.12	.11	.12
1	*.01	.00½	Illinois Alberta	.....	.....	.....	.....	.....
No	*.02½	.00½	Lethbridge	.....	.....	.....	.....	.....
No	*.10	.04	Lowery	.....	.....	.....	.....	.....
No	*.02	.00½	Madison	.....	.....	.....	.....	.....
1	.21	.14	Mayland	.....	.20	.....	.....	.....
No	*.04	.01½	McD. Segur Ex.	.....	.....	.....	.....	.....
1	*.04	.01	McD. Segur N.	.....	.....	.....	.....	.....
1	.28	.25	McLeod	500	.25	.27	.27	.27
No	.09½	.07½	Mercury	[illegible]	.08	.08½	.08	.08
No	.15	.11	Merland	500	.12½	.11	.11	.11
No	*.15	.08½	Mill City Pete.	.....	.....	.....	.....	.....
1	.18	.12	Model	.....	.16	.....	.....	.....
1	*.05	.04	Monalta	.....	.....	.....	.....	.....
1	*.07	.03	Moose Mountain	.....	.....	.....	.....	.....
1	*.01	.01	New Federal	.....	.....	.....	.....	.....
5	.20	.09	Nordon	5,400	.11½	.12	.11½	.11½
1	.04	.02½	Oil Selections	12,500	.03½	.03½	.03	.03½
No	.06	.04½	Okalta	.....	.04½	.....	.....	.....
No	.38	.20	Olga Gas & Oil	34,750	.23	.38	.25	.38
No	.03½	.01	Penn. Pete.	.....	.01½	.....	.....	.....
1	.17	.13	Petrol Oil & Gas	500	.16	.15	.15	.15
No	*.14	.08	Ranchmen's	.....	.....	.....	.....	.....
1	*.01	.00½	Regent	.....	.....	.....	.....	.....
No	*.02½	.01	Richfield	.....	.....	.....	.....	.....
No	7.10	5.75	Royalite	362	6.00	6.50	5.75	6.50
1	.11	.05	Sarnia Oil	3,500	.05½	.05½	.05	.05
1	*.03	.01	Signal Hill	.....	.....	.....	.....	.....
1	.07	.04	South West Pete.	.....	.04	.....	.....	.....
1	*.30	.10	Spooner	.....	.....	.....	.....	.....
No	.15	.12	Sterling Pacific	.....	.14	.....	.....	.....
	.43½	.43½	Trinidad Oil	.....	.43½	.....	.....	.....
1	*.11	.07½	Turner Valley	.....	.....	.....	.....	.....
No	.08	.03	United	.....	.08	.....	.....	.....
1	*.09½	.03	Vulcan	.....	.....	.....	.....	.....
No	.01	.00½	Wainwell	.....	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to April 19)					
25c	*.00½	.00½	Bayview	.....	.....	.....	.....	.....
20c	.05½	.02½	Beaver Silver	35,500	.04	.04½	.03½	.04½
1	.80	.60	B. C. Silver	100	.75	.80	.80	.80
1	.17	.14½	Big Slide	17,500	.15	.15	.14½	.15
25c	.03	.02	Bluebird	1,000	.02½	.02	.02	.02
No	3.75	1.38	Bralorne	22,158	2.90	3.75	2.90	3.55
1	.15	.05	Bridge River Cons.	174,950	.11½	.13½	.09½	.12½
100	89.00	88.50	B. C. Electric, Pfd.	.....	88.50	.....	.....	.....
1	2.85	1.50	Cariboo Gold	10,006	2.00	2.45	1.90	2.26
No	7.50	5.60	Coast Breweries	261	7.00	7.00	6.75	7.00
25c	.01	.00½	Cork Province	.....	.01	.....	.....	.....
1	.02½	.02	Cotton Belt	.....	.02½	.....	.....	.....
1	.04	.00½	Dalhousie Mines	.....	.02	.....	.....	.....
1	.44	.28	George Copper	.....	.40	.....	.....	.....
50c	*.02	.01	Geo. Enterprise	.....	.....	.....	.....	.....
1	.03½	.02	Georgia River	10,500	.02½	.02½	.02½	.02½
1	.22	.16	Golconda	2,500	.18	.22	.20	.22
50c	.05½	.03½	Grandview	16,100	.04	.05½	.04½	.05½
1	.00½	.00½	Independence	.....	.00½	.....	.....	.....
1	.01½	.01	Indian Mines	.....	.01	.....	.....	.....
1	.13½	.08½	Inter. Coal	2,400	.09½	.10	.10	.10
1	*.21	.21	Jack Waite	.....	.....	.....	.....	.....
25c	.00½	.00½	Kootenay King	.....	.00½	.....	.....	.....
10c	.02	.01	Lucky Jim	.....	.01½	.....	.....	.....
	.20	.20	Meridian	1,000	.20	.20	.20	.20
5c	*.12	.04	Metaline Metals	.....	.10	.....	.....	.....
1	.01½	.00½	Morton Woolsey	.....	.....	.....	.....	.....
50c	.08½	.00½	National Silver	150,500	.02½	.03½	.02½	.03½
50c	.07½	.02½	Noble Five	90,427	.06	.07½	.05½	.07½
50c	.01	.00½	Oregon Copper	.....	.00½	.....	.....	.....
1	7.70	4.30	Pioneer Gold	5,585	6.65	7.70	6.70	7.00
	.10	.10	Planet Mines	.....	.10	.....	.....	.....
50c	.10	.04½	Porter Idaho	18,000	.07	.10	.06½	.10
No	.00½	.00½	Premier Border	6,000	.00½	.00½	.00½	.00½
No	.20	.10	Reeves McDonald	75	.15	.10	.10	.10
	.07½	.04	Reward Min.	11,000	.05½	.07½	.07	.07
1	.99	.60	Reno Gold	70,400	.82	.90	.82½	.97
1	.02½	.01	Rufus Argenta	.....	.01	.....	.....	.....
1	.03½	.02½	Ruth Hope	8,500	.01	.02½	.01½	.02½
1	*.05	.02	Silverado	.....	.....	.....	.....	.....
25c	.04½	.01	Silver Crest	22,500	.03½	.04½	.03½	.04½
50c	.01½	.01	Snowflake	23,000	.01½	.01½	.01½	.01½
1	.25	.25	Sunloch	200	.25	.25	.25	.25
No	*.06	.05	Vanalta	.....	.....	.....	.....	.....
50c	.14	.08	Wayside	7,000	.08	.14	.12	.13
25c	.02½	.01½	Waverly Tangier	7,000	.02½	.02½	.01½	.02½
20c	.01½	.01½	Wellington	3,000	.....	.01½	.01½	.01½
1	.05	.03	Whitewater	12,500	.04½	.05	.04	.05

*Quotations for 1932. No sales recorded in 1933 to date.

DIVIDEND PAYERS

	Rate	Yield %
Ajax Oil	8c.	12.90
Coniagas‡	12½c.	....
Coniaurum†	3c.	....
Cons. Smelters*	10%	....
Dome Mines	$1+30c.	6.66
Falconbridge	10c.	....
Hollinger	65c.+10c.	8.42
Howe Sound	40c.	....
Lake Shore	$2+$1	8.10
McIntyre	$1.50	5.31
McLeod Oils‡	5c.	....
Merland Oils†	2½c.	....
Noranda	*$1.10	....
Petrol Oil	*2c.	....
Premier	12c.	16.90
Pioneer, B.C.	24c.	3.11
Royalite	*$1.50	....
Siscoe	12c.	7.45
Sterling Pacific Oil†	2½c.	....
Sylvanite	4+1c.	4.73
Teck Hughes	60c.	13.33
Wright-Har.	20c.	4.08

*Stock. ‡Interim. †Initial. *Paid in 1932.

DALHOUSIE REPORTS $3,026 NET PROFITS

Liquid Position is Best in the Company's History

The seventh annual report of Dalhousie Oil Co., covering operations in the Turner Valley area of Alberta, shows a net profit of $3,026 for the year ended December 31, 1932, as compared with $26,640 the previous year.

The following tabulation gives comparative figures for the past two years:

Income and Surplus Account
Years Ended December 31

	1932 $	1931 $
Income:		
Crude oil	17,357	25,237
Crude naphtha	49,280	81,361
Gas sold & cons.	1,300	410
Misc., rents, etc.	8,609	6,922
	76,546	113,930
Expenses:		
Oper., etc.	24,496	40,066
Lease rentals	800	800
Taxes	1,776	1,618
Royalties	3,420	5,456
Sundry exps. & loss	1,183	416
Net earnings	44,871	65,579
Less:		
Inc. tax res.	909	2,716
Deprec.	42,387	24,000
Depletion	*1,461	9,720
Bad debts w/o	......	2,503
Net profit	3,026	26,640
Add: Prev. surplus	29,672	4,947
Less: Adjust.	1,215	1,915
Bal. forward	31,483	29,672

*Credit.

Production of crude naphtha and crude oil in 1932 totalled 22,649 barrels from the company's four producing wells as compared with 36,127 barrels in the previous year.

The company has no drilling programme under way in 1932.

The balance sheet as at December 31, 1932, showed the best working capital in the company's history with current assets totalling $182,053 as against current liabilities of $1,199 giving a working capital of $180,854 as compared with $138,335 the previous year.

Halcrow-Swayze Mines Enlarges Its Programme

The property of the Halcrow-Swayze Mines, developing a gold prospect in the central part of Halcrow township in the new Swayze area, continues encouraging as evidenced by report to the shareholders over the signature of Horace S. Strong, well-known mining engineer, who is president and managing director of the company.

A crew was maintained at the property all winter and conducted an intensive surface exploration programme which was confined to a zone 2,700 feet in length by 300 feet in width. Four prominent vein systems have been uncovered in a total of 30 trenches and test pits. One of these veins has been traced continuously for 1,500 feet by 16 test pits, none of which has failed to show values of intrinsic importance, while many of them have indicated gratifying widths of payable ore. The No. 3 vein showed ore at two points 250 feet apart and indications are that it lines up with the No. 2 vein and may prove to be a continuous zone 2,700 feet in length. Two test pits sunk to depths of 15 and 10 feet, respectively on Nos. 1 and 2 veins indicate ore assaying $10 to $20 over mineable widths.

Supplies have been taken in and accommodation made for a crew of 30 men while construction is under way for more aggressive and enlarged facilities, which are to include shaft sinking.

The financing of the company's programme is in the hands of Manitoba and Eastern Mines, which to date has provided the necessary funds for operations.

St. Johns Group Form Labrador Mining Co.

There can be little doubt that the southwest section of Labrador will have its share of exploration activity this year, following the Newfoundland Government's policy of leasing large areas for exploration.

One of the latest incorporations is the Achouaniti Mining Co., sponsored by St. John's residents, including Dr. M. S. Hogan as managing director. Associated with him on the board of directors are Dr. W. Roberts, James D. Rendell, James Baird and R. D. Thistle, the King's Printer, who is secretary of the company.

The Achouaniti Mining Co. gets its name from a river running through that area of Labrador where the company has property. Adjacent holdings include those of the original discovery by Captain Bondurant, a former pilot of Canadian Airways, who has pioneered interest in the new area.

Plans have been laid for an aggressive exploration programme this season.

Columario Gold Mines Forms New Company

A recent issue of The Ontario Gazette chronicles the formation of Columario Consolidated Gold Mines, Ltd., with a capitalization of 2,500,000 no par value shares to succeed the Columario Gold Mines.

At the annual meeting of the company on March 27 approval was given for the sale of the company's assets in the Usk section of British Columbia to the new company.

Arrangements have been announced for the procuring of the necessary finances to proceed with the construction of a mill and the further development of the company's property. C. C. Richardson, of Toronto, is president of the company.

New Lumber Firm Active

A new lumber products organization will shortly go into production at East Saint John, according to George B. Oland, of the Civic Industrial Committee. The company will be capitalized at $500,000 and will employ about a hundred men in the plant and many more in the woods.

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ROYALITE REPORTS $78,237 NET PROFITS

Dividends Paid From Accumulated Surplus—Liquid Position Good

The twelfth annual report of Royalite Oil Co., operating in the Turner Valley area of Alberta, reflects decreased earnings, principally due to decreased production schedules, under the direction of the Turner Valley Gas Conservation Commission. The net profits were $78,237 as compared with $257,504 the previous year. This is equivalent to 16 cents per share as against dividend disbursements of $1.50 and as compared with 52 cents per share in 1931.

The following tabulation gives comparison of income for the past two years:

Income and Surplus Account
Years Ended December 31

	1932 $	1931 $
Gross earnings:		
Gas & oil cons.	9,671	13,165
Gas sold	539,141	528,861
Naphtha sold	271,896	624,547
Oil sold	5,424	3,582
Interest rec.	76,958	42,491
Royalties	3,719	5,899
Misc. receipts	190,596	249,881
	1,097,405	1,467,426
Operating expenses:		
Oper., gen. exp.	292,988	526,640
Lease rentals	......	1,790
Taxes	36,381	36,613
Royalties	22,403	47,606
Sundry exps.	64,688	72,238
Explosion loss‡	......	9,385
	416,460	694,272
Net earn. from oper.	680,945	773,154
Less reserves:		
Gas prod. tax	34,552	......
Federal inc. tax	22,806	34,265
Bad debts	538	6,958
Deprec.	448,821	299,817
Well depletion	36,048	111,556
Equip. w/o	59,943	63,054
Aband. wells w/o	......	......
Net profit	78,237	257,504
Less dividends	750,000	250,000
Surplus for year	*671,763	7,504
Add: Prev. surplus	3,521,218	3,528,347
Adjustments	224,644	......
Less: Adjustments	......	14,633
Bal. carried fwd.	3,074,099	3,521,218

‡Fire loss in 1927. *Deficit.

Earnings per Share & Dividend Record:		
Earned	$0.16	$0.52
Paid	1.50	0.50

The revenue from gas sold was approximately double that of the naphtha sold. Operating expenses were further reduced, but a more liberal policy with respect to depreciation helped curtail earnings. No drilling was done during the year.

Production of crude naphtha from the company's 19 producing wells in Turner Valley totalled 90,286 barrels as compared with 213,577 barrels in 1931 and as compared with a peak year of 341,707 barrels in 1930.

The company owns 51 per cent interest in the Dalhousie Oil Co. and Mayland Oil Co., but neither of these subsidiaries contributed income by way of dividends to the parent company.

Share ownership of the outstanding capital remains as before, with 83.8 per cent in the hands of Imperial Oil, Ltd.

The balance sheet as at December 31, 1932, shows a strong liquid position but somewhat less than the previous record year owing to the company's dividend policy.

The following is a comparison of working capital for the past two years:

Working Capital

	1932 $	1931 $
Current assets	2,211,301	2,809,930
Current liabilities	87,163	204,631
Working capital	2,124,138	2,605,299

International Pete March Production Up

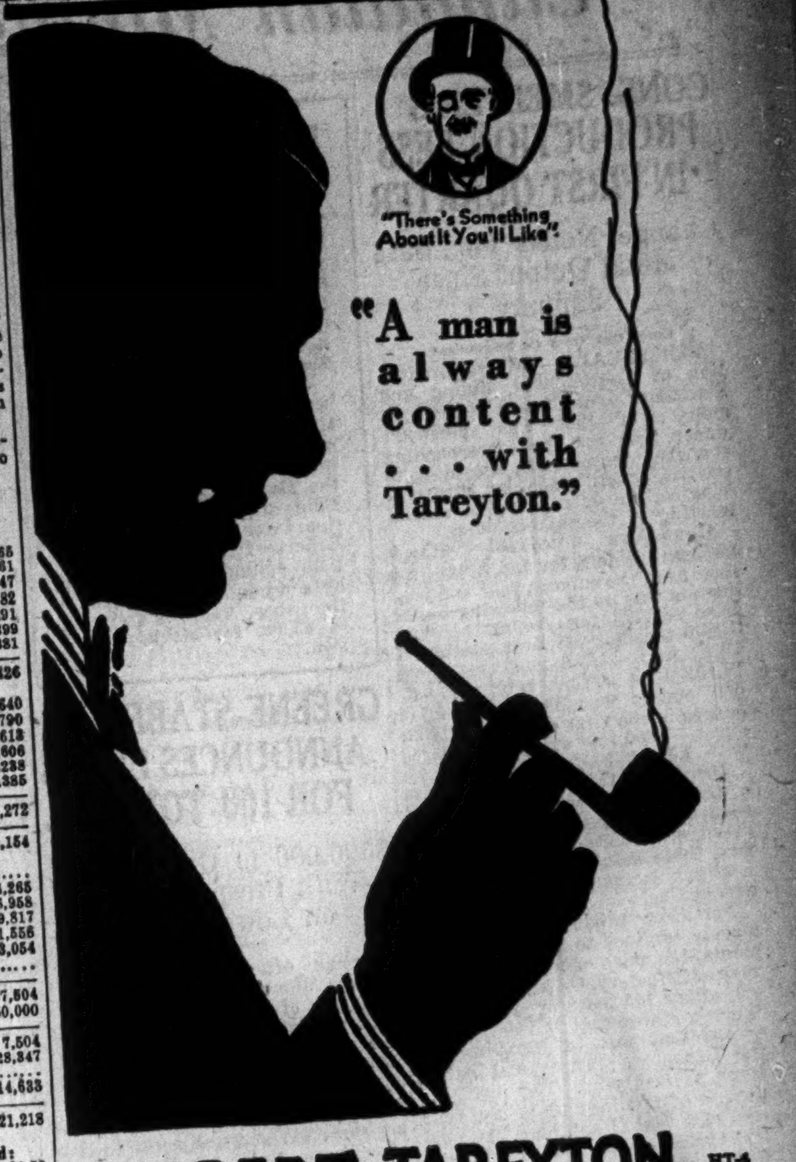
Average daily production of crude by International Petroleum Co. during March was substantially higher than in previous months in 1933 and in Colombia the average daily production of 39,316 bbls. has not been equalled since last September. Production in Peru at 24,944 bbls. was somewhat under that of January, 1933, but with that exception was larger than any preceding month since June, 1932.

Actual production of crude in the first two months of 1933 is below that of the corresponding months in 1932 due to the reduced output in Colombia. In January and February, 1933, Colombia production was 2,040,853 bbls. as compared with 2,935,813 bbls. in the same period 1932. Actual production in Peru shows a slight increase with 1,444,480 bbls. in the first two months of 1933 as compared with 1,329,675 bbls. in the same period of 1932. No new wells have been completed in Peru but two wells have been completed in Colombia.

Index to Mining Stocks

The weighted index number of 20 mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 75.1 for the week ending April 20, as compared with 73.2 for the previous week.

Eleven gold stocks rose from 72.6 to 73.4, four gold-copper stocks from 84.1 to 89.6, and five silver and miscellaneous stocks from 26.5 to 28.6.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Build New Textile Plant

Contractors are at work on the new textile plant to be operated by Powdrell and Alexander, Canada, Limited, at Cornwall, and the new industry is expected to be in operation by July 1, employing about 150 persons. The building will be a single story, mill type structure, 600 by 80 feet. The Canadian company is a subsidiary of the Danielsville, Conn., concern of Powdrell and Alexander, Inc., makers of curtains and draperies.

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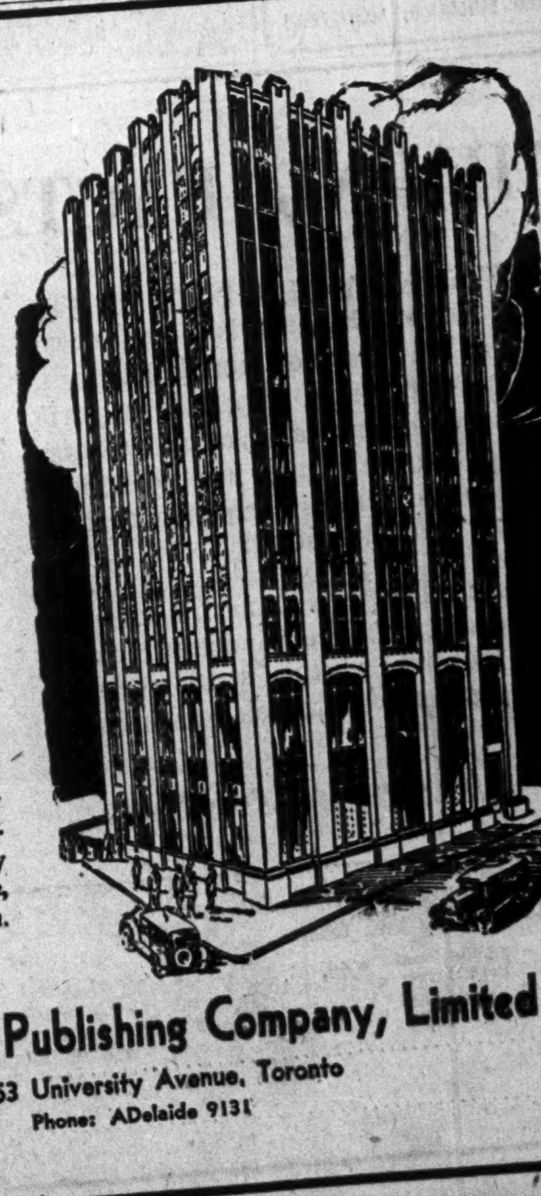

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Canadian Mining News

CONS. SMELTER'S PRODUCTION LESS IN FIRST QUARTER

Change Noted For Base Metal Output Since January

From Our Own Correspondent

MONTREAL. — Mineral production of Consolidated Mining and Smelting Co. of Canada in the first quarter of 1933 was somewhat under that for the corresponding three months of 1932, according to the statement made by James J. Warren, president, at the annual meeting of the shareholders.

Operations proceeded without unusual incident for the first three months of the current year and production was on the following basis: Lead—28,726 tons compared with 31,870 tons for the first quarter of 1932; zinc—14,758 tons as against 17,132 tons a year ago; gold—6,639 ounces compared with 6,743 ounces in the first quarter of 1932; silver—1,600,100 ounces compared with 1,501,483 ounces last year.

Discussing the inventory position of the company, Mr. Warren stated that there had been a substantial decrease in unsold lead during the first three months of this year but a slight increase in the stock of unsold zinc.

Fertilizer production had been largely confined to sulphate of ammonia, the sales of which had been very satisfactory. On account of the prevailing low cost of wheat, Mr. Warren stated that it was not expected that sales of fertilizer on the Canadian prairies will be as large as last year. The result of the use of fertilizer there last year was such that if anything like normal prices prevailed for wheat, more than the company's output would be needed to supply the demand.

Offsetting the lower production was the fact that metal prices were a little better in March than in January and February.

LAKE SHORE MINES OUTPUT CURTAILED

Present Rate a Drastic Cut From Normal Production

The effect of curtailed production operations at Lake Shore Mines is reflected in the statement of operations for the three months ended March 31, 1933.

The milling rate averaged 2,070 tons daily for the three months period, and it is understood that current milling rate is near 1,700 tons a day, with a corresponding decline in recoveries. This curtailment of production is in line with instructions issued by Colonel Harry Oakes, president of the company, some weeks ago, following upon a shake-up in the management.

Difficulties in the operation of the new flotation process installed last year are understood to be largely responsible for the curtailed operations while the trouble is being ironed out.

The following tabulation gives comparative production figures the past two quarters:

	1st quar. 1933	4th quar. 1932
Tons milled, $	186,121	205,187
Recovery, $	2,662,175	3,110,000
Rec. per ton, $	14.30	15.16
Tons daily	2,070	2,230

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Report C. C. Julian Seen in Shanghai

C. C. Julian, who figured some months ago in the investigations by Montreal Better Business Bureau of the Stock & Bond Guarantee Co., has crashed into the limelight again, this time from Shanghai.

Julian is wanted by Oklahoma City authorities to face trial in an alleged $3,500,000 mail fraud conspiracy. While in Canada last fall he made the Montreal office of Dave Fingard of the Stock & Bond Guarantee his headquarters. Reports from Shanghai say that Julian was recognized by a woman and betrayed to the police. There is a reward of $5,000 for his apprehension.

GREENE-STABELL ANNOUNCES PLANS FOR 100-TON MILL

$500,000 in Ore in Sight With Prospects Good on Lower Levels

In an official report Greene-Stabell Mines announces over the signature of its president, John E. Hammell, the decision to erect at the property at once a 100-ton mill which is to be in operation this coming summer.

The company's property comprising some 327 acres adjacent to the Siscoe property in the Hurricanaw district of Quebec, has been partially developed in previous operations to a depth of 600 ft.

Last year H. A. Kee, M.E., well-known northern mining engineer, was employed as director of operations and made a report on the property estimating at least $500,000 in the known ore bodies within mineable widths. The grade averages from $12 to $16 per ton, which, when mined, he estimates would give an operating profit of approximately $5 per ton.

Prospects Good for Ore

The property is described in the prospectus as neither an investment nor a speculation, in the ordinary sense of the term, having regard to the fact that the company is now preparing to enter the production stage in an area that now yields gold and dividends.

In making his report to the company, Mr. Kee comments as follows:

"A justified decision has been made to install a mill capable of treating up to 100 tons per day, more particularly to treat future development ore and, if deemed advantageous, in conjunction with the known ore tonnage now indicated above the 450 ft. level, which ore is the lowest extension of the original discovery. Surface outcrop 'A' in the main fissure vein system at a point immediately west of the major regional fault, which crosses the property in a northeasterly - southwesterly direction, the northeasterly projection of which seems to indicate Lake Blouin as being a fault bed.

"Aside from other considered possibilities, there is justified expectation in the lateral and vertical extension of the known ore bodies. As previously stated, this ore within the fissure vein system referred to, is associated with porphyry intrusives and should these porphyries prove to be the basis of the underlying granodiorite mass, then it would be reasonable to expect even more important ore bodies below the present 600 ft. level, at which horizon considerable faulting is encountered.

Financed by H. R. Bain

"In view of the foregoing, it is advisable to install a mill with a flow sheet embodying some simple method of amalgamation and flotation to which can be added a cyanide or other unit. If increased tonnages are desired same can be advantageously arranged with minimum change of plant, all of which necessitates little, if any, interference with the operation of the first mill unit. Arrangements are being made to forward mill equipment for this first unit as soon as navigation opens from Amos, Quebec, this season.

"To finance Greene-Stabell's programme an offering of 750,000 treasury shares is being made at 55 cents per share, by H. R. Bain & Co., well-known Toronto bond house, which has established a Division of Northern Canada Golds."

McVITTIE-GRAHAM PANAMA PROPERTY DEVELOPING WELL

Deal Given Co'y Makes Real Opportunity For Shareholders

The fifth annual report of McVittie-Graham Mines, covering the year ended Dec. 31, 1932, shows the company to have current assets of $53,496 and current liabilities of $1,791, giving a working capital of $52,705 as compared with $107,368 at the end of the previous fiscal year.

Principal interest in the company now centres about its 420,000 shares in the Veraguas Mines, developing a property in Panama. Late in 1932 Veraguas Mines was incorporated to acquire leases on gold mining concessions held by the Panama Corp. (Canada) Ltd., in the district of Santa Fe, province of Veraguas. The property, including the Margaja Gold Mines, is held under a 30-year lease, renewable for a further 30 years on a royalty basis from the Panama Corp.

This property was worked about 200 years ago by the Spaniards and was rediscovered about four years ago. An adit has been driven into the hillside and drifting is now under way preparing the property for production. Arrangements have been made to construct a 30 to 50 ton concentrating mill, planned for completion by the end of this year. The report says that development to date has been very satisfactory. Veraguas Mines has an authorized capitalization of 1,000,000 shares of no par value, of which 750,000 have been issued—420,000 shares to McVittie-Graham Mines; 105,000 to Connell Mining & Exploration Co.; and 225,000 shares to English interests.

To Get Advances Back

McVittie-Graham Mines is financing the development of the property under an arrangement whereby all funds advanced are to be repaid with interest at seven per cent from operating profits.

In February, 1932, McVittie-Graham conducted some development work and examined the Alexander property in British Columbia under an option agreement. A total of $15,000 was expended on development work for which the McVittie-Graham Mines received 100,000 shares in Alexander, while the $15,000 expended is to be repaid from the first production proceeds if and when the mine is operated. Prospecting and exploration work carried on in Northern Ontario and Quebec did not result in the acquisition of any properties.

The outstanding capitalization of McVittie-Graham Mines is 3,250,000 common shares of $1 par value. In addition, 221,804 common shares are in the company's treasury to be used for the benefit of the company.

The annual meeting is called for May 1 in Montreal.

TECK-HUGHES EARNS DIVIDEND LAST 6 MO.

Exchange Compensation Makes Profits That Warrant Present Dividend

The six months statement of estimated earnings by Teck-Hughes Gold Mines shows that the dividend of 60 cents per share is being fully covered by current earnings.

Estimated earnings for the six months ended February 28, 1933, were $1,537,527, equivalent to 32 cents per share. By deduction, earnings in the last quarter or the three months ended February 28, 1933, were approximately one-half this figure.

With exchange compensation forming an important part of the company's income, indications are that without it dividends would be endangered.

The following tabulation gives comparative figures for the past two quarterly periods:

Estimated Earnings

	3 mos. ended Feb. 28 1933 $	Nov. 30 1932 $
Gross income	1,490,942	1,495,340
Operating costs	574,095	558,762
Net earnings	916,847	936,578
Less: Estimated taxes	80,569	88,329
Net before deprec.	836,278	848,249
Estimated deprec.	73,500	73,500
Net profit (estimated)	762,778	774,749
Earnings per share	$0.159	$0.161

Prospectors Airways End Busy Year With Cash

The annual report of Prospectors Airways Co., the pioneer prospecting company in Canada to utilize airplanes in mining prospecting work, ended its 1932 season with current assets of $23,379 and current liabilities of $20,625 and controlling interest in the McWatters Gold Mines, its most promising find since incorporation in 1928.

In 1932 the east shore of Hudson Bay was explored in the vicinity of Fort Smith, but nothing of importance was found. Upon the return from this trip in the fall an option was taken on the McWatters group of claims in Rouyn township Quebec, which were later incorporated as the McWatters Gold Mines, with a capitalization of 2,000,000 shares of no par value. Of the 1,000,000 issued to the vendors for the property Prospectors Airways retained 745,875 shares having sold some to finance its own operations. In addition the company holds 409,764 shares in Pascalis Gold Mines and 148,352 shares in Opemiska Copper mines, both inactive.

McWatters Looks Encouraging

At the McWatters property intensive diamond drilling was conducted with about two-thirds of the holes showing good results. Early this year a mining plant was installed and shaft sinking is in progress now nearing a depth of 150 ft.

Prospectors Airways Co. was further financed in 1932 by selling the remainder, or 250,000 of its treasury shares to Huronian Mining & Finance Co. and Ventures Ltd., making its outstanding capitalization on December 31, 1932 500,000 shares.

The annual meeting of the company is called for April 28, in Haileybury, Ontario.

Howe Sound Loss $125,547

Howe Sound Co., controlling the Britannia Mining & Smelting Co. of Britannia Beach, B.C., reports a loss in the three months ended March 31, 1933, of $125,547 as compared with a loss of $10,663 for the last quarter of 1932.

GOLD PRODUCTION BY ONTARIO MINES HIGHER IN MARCH

Output Valued at $4,059,244 — Porcupine Leads

Gold production by Ontario mines during March totalled $4,059,244, the best recorded for 1933. A significant turn of events in March was the production from the Porcupine camp exceeding that of the Kirkland Lake camp, which has held front rank for many months. This can be attributed to the curtailed operations at the Lake Shore Mines.

The mines in order of output for March were as follows:

Hollinger, Lake Shore, McIntyre, Teck-Hughes, Dome, Wright-Hargreaves, Howey, Sylvanite, Coniaurum, Toburn, Vipond, Kirkland Lake Gold, Buffalo Ankerite, Ashley, Barry-Hollinger, Parkhill, Moss and Minto.

The following tabulation gives production for the first three months of this year by camps:

Ontario Gold Mines

Source and Period	1933 Ore milled tons	Total val. $
Porcupine:		
January	283,951	1,615,355
February	256,653	1,733,265
March	285,040	2,049,151
Kirkland Lake:		
January	155,050	1,770,131
February	136,988	1,787,399
March	141,716	1,858,867
Northwestern Ontario:		
January	34,738	119,712
February	31,281	94,690
March	35,148	151,230
Total for Ontario:		
January	473,739	3,505,198
February	424,922	3,615,354
March	461,904	4,059,248

Cariboo Railway Busy

Signs of life are being shown in the old P. G. E. Railway, long regarded as British Columbia's white elephant. Extra coaches are being added to accommodate the rush into the Cariboo gold area.

Liquid Assets of San Antonio in Good Shape

The audited financial statement of San Antonio Gold Mines, omitted from the report of the company recently published, shows the liquid position strong with a working capital of $184,939 as at Dec. 31, 1932. Issued capitalization, writing off 15 per cent from the buildings and plant account, carried at $363,738. Organization expenses were written off at the rate of 25 per cent.

At the annual meeting of the company held April 20 in Winnipeg, D. J. Kennedy, mine manager, stated that at the present time the mill is handling 160 tons of ore per day of an average grade of $10.25 per ton. Due to the treatment of low-grade development ore millheads were slightly lower than at the end of 1932. The drilling campaign just completed revealed a number of new veins and if underground work confirms drilling results, a new shaft will be sunk and the capacity of the mill will be enlarged to 200 tons daily.

Maple Leaf Mines Take Pattern From The Post

Unique frankness features a share offering of Maple Leaf Mines, now making its debut to the investing public to finance mining prospects held in various favorable areas.

The company's prospectus departs from the staid type of mining prospectus and endeavors to answer questions that potential investors have a right to know. It takes for a pattern the questionnaire in an article appearing in a recent issue of The Financial Post, prepared by D. G. H. Wright, in which he offered rules for the investor in mining prospects. To these questions Maple Leaf Mines has given a frank answer as to its holdings and corporate structure.

The company is headed by such well-known Toronto men as Howard L. Walker, general manager of Honey Dew Co. and Fraser Raney, barrister. Carl Erickson is the company's engineer and general manager.

MINES DEPARTMENT RESUMING CLASSES

Ontario Giving Prospectors Chance to Contact With Backers

Through the activities of the Ontario Prospectors' and Developers' Association and its assiduous president, W. E. Segsworth, the Ontario Department of Mines is holding another of its mining classes for prospectors from May 1 to 9 inclusive.

Early this year the government had a record attendance at the third class of this kind to be held in Toronto. The decision to hold further classes is prompted by the desire to assist students who will shortly be out of school with nothing to do, and so equip them with the essential knowledge of minerals and prospecting that they can fare forth into Ontario's great unknown and help unlock the secrets held by the gold-bearing formations that have become such a profitable source of wealth.

Mining men regard the move as another bit of evidence on the part of government to further the interests of mining, knowing that the next best thing to grubstaking a prospector is to train one to help himself.

Help Experienced Prospectors

It has been arranged that experienced prospectors seeking grubstakes may place their names on the bulletin board at the place where the prospectors' class will be held. Those who are looking for a contact with backers will be afforded the opportunity of meeting them. A personal contact is being arranged so that the backer and the prospector may get together and make mutually satisfactory arrangements. The young men who propose to enter the industry may meet and discuss matters with the old-timers.

Proposals have been made to have the fathers, relatives and friends of young Canadians grubstake them for gold prospecting.

Those who might think that the backing of young men might deprive some needy prospector of the means of livelihood are reminded that one single discovery may mean work for hundreds of unemployed.

The idea of well-to-do people putting their unemployed sons or relatives in the prospecting fields is new, but mining men see in it a chance for a man who is nervous of his son's future to do him a good turn by exposing him to a healthy and interesting phase of life, also giving him a sporting chance on contacting with good luck in making a discovery.

The day and night classes are to be held at the Economic Building of the University of Toronto.

N. C. URQUHART & CO.

STOCK BROKERS

Members Standard Stock and Mining Exchange

15 King Street West Toronto, Ont.

Adel. 6028

Vipond Production Lower Last Quarter

Production by Vipond Consolidated Mines for the three months ended March 31, 1933, showed a further decline in the value of production, exclusive of exchange compensation, while the tonnage milled showed an increase.

The following tabulation gives comparative figures for the past two quarterly periods:

	Qtr. end. Mar. 31 1933	Qtr. end. Dec. 31 1932
Tons milled	28,685	27,719
Recovery, $	117,300	125,900
Rec. per ton, $	4.10	4.54
Tons daily	318	301

Labrador Ore Assays 104 Oz. Gold Per Ton

A report from St. John's, Newfoundland, says Indians brought out gold ore from Labrador assaying 104 oz. to the ton. The announcement was made by the Hon. W. J. Walsh, Minister of Mines, Newfoundland, and caused a wave of excitement among the prospectors preparing to invade Labrador this summer in search of gold under the government's new concession plan of prospecting.

The ore is reported to have been taken from the concession granted to Capt. D. S. Bondurant and was brought out by the Indians for analysis. The concession reserved for Capt. Bondurant embraces some 40 sq. miles in the southwestern section of Labrador in the vicinity of River Aux Fraiser. Dr. W. F. James and Dr. J. E. Gill, Toronto mining men, have been retained by Capt. Bondurant, as consultants.

Plans are laid for Canadian Airways to fly in the party and the first flight is scheduled for early next month.

Morrison Mines Mark Time Awaiting Better Silver Prices

The annual report of Morrison Mines for the year ended December 31, 1932, shows loans and accounts payable totalling $16,943 and liquid assets of $216.

During 1932 the larger shareholders donated 148,080 shares to be sold for the benefit of the treasury. Of these 20,000 shares were taken up at five cents per share and the proceeds devoted to meeting shut-down expenses, including bank interest. The balance, or 128,080 shares, are offered at five cents each.

It is now two years since mining operations were suspended at the company's property in the Gowganda area of Ontario, at which time the ore reserves stood at 10,000 tons containing 295,000 oz. silver. The bottom or 465-ft. level was the best so far developed. The property is on the caretaking basis.

GREENE STABELL

A Developed Gold Mine with the Early Hazards Passed and Paid For

First Public Offering

750,000 Treasury Shares

GREENE STABELL
Mines Limited

In the Siscoe-Stabell-Sullivan Area of Northwestern Quebec

President and Managing Director:
JOHN E. HAMMELL, Toronto

Engineering Direction:
H. A. KEE, M.E., Toronto

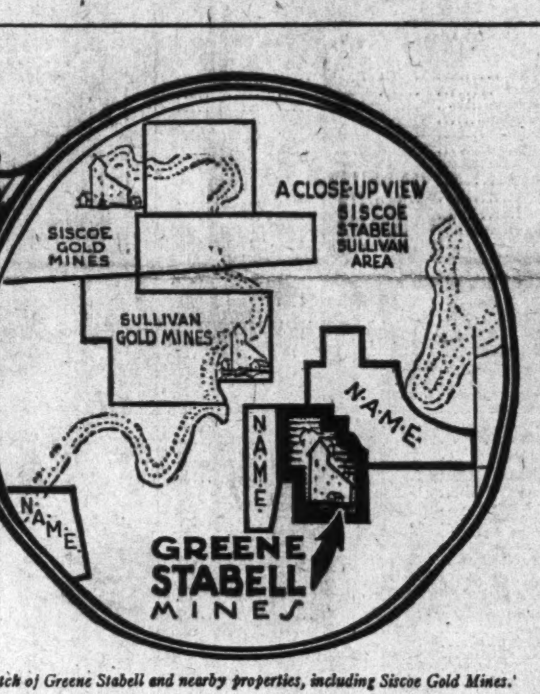
THE PROPERTY—327 acres in the Hurricanaw District of Quebec, reached by water route from Amos, Quebec, a distance of 50 miles. All claims owned outright by the Company. Adjacent to N.A.M.E. (Sullivan Extension) Sullivan Gold Mines and within a short distance of Siscoe Gold Mines.

PREVIOUS FINANCING—The sum of approximately $500,000 has been expended on the purchase, equipment and development of Greene Stabell by John E. Hammell and a few associates, by means of which expenditure the greater hazards of early gold development have been eliminated.

MINE DEVELOPMENT—Developed by means of a two-compartment shaft to a depth of 600 feet and partially opened up on four levels.

MINING PLANT—Complete mining plant and equipment necessary to provide extensive underground development, and buildings to house complete mine staff and force.

ORE INDICATED—Ore averaging between $12. and $16. per ton has been developed and indicated to value of $500,000. on conservative engineering estimate. Profit of $5.00 per ton estimated by H. A. Kee, M.E.



Sketch of Greene Stabell and nearby properties, including Siscoe Gold Mines.

MILLING PLANS—A milling plant of 100 tons capacity has been provided for, and building materials are already on the ground. Mill will be in operation and producing during the coming summer.

EXPANSION PLANS—An intensive underground campaign will commence at an early date to develop those areas along the grano-diorite-Keewatin contact on Greene Stabell, shown by diamond drilling. It is in similar geological conditions that Siscoe Gold Mines is developing from a small mine to an important producer. While Greene Stabell has produced its present ore in what appears to be an important ore area, *it is believed that the major ore zone will be found in the recently-revealed areas which remain to be developed.*

ENGINEERING CONCLUSION—In his review of possibilities at Greene Stabell, Mr. Kee, regarded as one of the most conservative engineers in Canada, says:

"The present proposed development campaign holds good possibilities for your Company eventually becoming one of the more important Canadian gold producers when adequately financed to complete efficiently the present proposed campaign of exploration and development."

The complete text of Mr. Kee's review should be read to reach a complete understanding of the property and its possibilities. *Ask any well-informed Mining Engineer or Financial House as to the possibility of Greene Stabell becoming an Important Canadian Gold Producer. Thoroughly read the statements of John E. Hammell and H. A. Kee as to the present realities and future prospects of the property. Purchase on the facts, based on your own considered judgment.*

CAPITALIZATION

Authorized ....3,000,000 shares ($1 par)
Outstanding ....2,250,000 shares
In Pool ....2,075,000 shares
This Issue .... 750,000 shares

OFFICERS AND DIRECTORS

President and Managing Director..........
..........John E. Hammell, Toronto
Vice-President..........A. L. Smith, Toronto
Secretary-Treasurer..........Robert Fennell, Toronto
Director..........R. W. Eberly, Buffalo, N.Y.
Director..........H. Authier, M.L.A., Amos, Que.

HEAD OFFICE: CONCOURSE BLDG., TORONTO

Registrar and Transfer Agents:
Trusts and Guarantee Co., Limited,
Toronto.

Legal Opinion:
Fennell, Porter & Davis
Toronto.

Bankers:
Canadian Bank of Commerce,
Toronto.

Price—55 Cents per Share

To order shares of Greene Stabell Mines Limited, write, wire or 'phone the undersigned or order through your broker, banker, or investment house. A circular containing complete descriptive material will be sent on request.

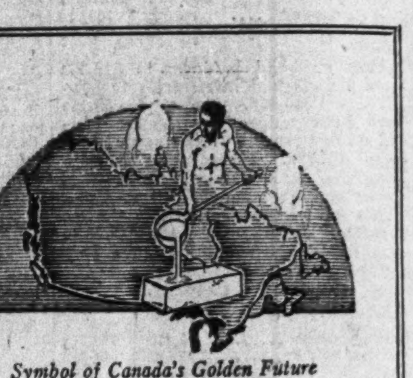
Shares will be allotted in the order subscriptions are received.

H. R. BAIN & CO., LIMITED
Investment Bankers
Head Office - Toronto

JOHNSTON & WARD
Members Montreal Stock Exchange
Head Office - Montreal

DOHERTY ROADHOUSE & CO.
Members Standard Stock and Mining Exchange
Head Office - Toronto

STEWART, McNAIR & CO.
Members Toronto Stock Exchange
Head Office - Toronto



Symbol of Canada's Golden Future
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The Factors That Make For Success in Mining

The unusual opportunity inherent in this offering of the treasury shares of Greene Stabell Mines, Limited, is found in a fortunate combination of mining and financial men, conditions at the mine and the world outlook for gold.

1. The mining background—a property developed by experienced and reputable mining men and engineers, whose sole motive and purpose were to develop ore and establish a new gold mine.
2. For every dollar the public is asked to subscribe, more than one dollar has already been invested in the property by the president, John E. Hammell, and his associates—approximately $500,000.
3. Frequently the public is asked to subscribe amounts in excess of the entire present issue to bring the property to the present stage of development. *The early hazards of developing a gold prospect have been passed and paid for.*
4. The property is ready for milling with as large a reserve of known commercial ore as some of our successful Canadian gold mines have started with. We believe its possibilities of growth and expansion parallel those of many of our important mines.
5. The net proceeds of this issue, less only a fair selling commission, go direct to the treasury of company for machinery, supplies, wages, etc., immediately establishing a new Canadian industry employing many skilled men with homes and families.
6. Greene Stabell will become a producer of bullion and revenue in a few months. A year's operation at 100 tons a day, would produce an operating profit of more than $175,000 according to engineer's estimate.
7. In the offering of this issue, there are associated a number of long-established and progressive investment houses which are entering the field of Canadian gold finance for the first time, after searching investigation, on a straightforward basis. These houses have a definite sense of their responsibilities to clients and the public, and hope to become a constructive force in the supplying of clean capital to honest and competent mine makers.
8. The present situation in regard to gold appears to make the opportunity at Greene Stabell doubly attractive.
9. Those associated in this offering invite complete investigation and welcome searching enquiry as to any feature of the property. *Seek the soundest advice and act on facts alone.*
10. From time to time complete reports of progress at Greene Stabell will appear in the regular issues of the magazine "Canada's Gold".